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SITTING DAYS—2004

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    PERTH      585 AM
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FORTIETH PARLIAMENT
FIRST SESSION—EIGHTH PERIOD

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

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

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

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

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

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

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

Printed by authority of the House of Representatives
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<td>ALP</td>
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### Members of the House of Representatives

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<td>Tangney, WA</td>
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<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
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<td>Worth, Hon. Patricia Mary</td>
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<td>Zahra, Christian John</td>
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**PARTY ABBREVIATIONS**  
ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals;  
Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

**Heads of Parliamentary Departments**

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

Prime Minister
Minister for Transport and Regional Services and Deputy Prime Minister
Treasurer
Minister for Trade
Minister for Foreign Affairs
Minister for Defence and Leader of the Government in the Senate
Minister for Finance and Administration and Deputy Leader of the Government in the Senate
Minister for Health and Ageing and Leader of the House
Attorney-General
Minister for the Environment and Heritage and Vice-President of the Executive Council
Minister for Communications, Information Technology and the Arts
Minister for Agriculture, Fisheries and Forestry
Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Reconciliation
Minister for Education, Science and Training
Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women
Minister for Industry, Tourism and Resources
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service

The Hon. John Winston Howard MP
The Hon. John Duncan Anderson MP
The Hon. Peter Howard Costello MP
The Hon. Mark Anthony James Vaile MP
The Hon. Alexander John Gosse Downer MP
Senator the Hon. Robert Murray Hill
Senator the Hon. Nicholas Hugh Minchin
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
The Hon. Dr David Alistair Kemp MP
The Hon. Daryl Robert Williams AM, QC, MP
The Hon. Warren Errol Truss MP
Senator the Hon. Amanda Eloise V anstone
The Hon. Dr Brendan John Nelson MP
Senator the Hon. Kay Christine Lesley Patterson
The Hon. Ian Elgin Macfarlane MP
The Hon. Kevin James Andrews MP

(The above ministers constitute the cabinet)
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| Minister for Justice and Customs | Senator the Hon. Christopher Martin Ellison |
| Minister for Fisheries, Forestry and Conservation | Senator the Hon. Ian Douglas Macdonald |
| Minister for the Arts and Sport | Senator the Hon. Charles Roderick Kemp |
| Minister for Small Business and Tourism | The Hon. Joseph Benedict Hockey MP |
| Minister for Science and Deputy Leader of the House | The Hon. Peter John McGauran MP |
| Minister for Local Government, Territories and Roads and Manager of Government Business in the Senate | Senator the Hon. Ian Campbell |
| Minister for Children and Youth Affairs | The Hon. Lawrence James Anthony MP |
| Minister for Employment Services and Minister Assisting the Minister for Defence | The Hon. Malcolm Thomas Brough MP |
| Special Minister of State | Senator the Hon. Eric Abetz |
| Minister for Veterans’ Affairs | The Hon. Danna Sue Vale MP |
| Minister for Revenue and Assistant Treasurer | Senator the Hon. Helen Lloyd Coonan |
| Minister for Ageing | The Hon. Julie Isabel Bishop MP |
| Minister for Citizenship and Multicultural Affairs and Minister Assisting the Prime Minister | The Hon. Gary Douglas Hardgrave MP |
| Parliamentary Secretary to the Prime Minister | The Hon. Jacqueline Marie Kelly MP |
| Parliamentary Secretary to the Minister for Transport and Regional Services and Parliamentary Secretary to the Minister for Trade | The Hon. De-Anne Margaret Kelly MP |
| Parliamentary Secretary to the Treasurer | The Hon. Ross Alexander Cameron MP |
| Parliamentary Secretary to the Minister for Foreign Affairs | The Hon. Christine Ann Gallus MP |
| Parliamentary Secretary to the Minister for Defence | The Hon. Frances Esther Bailey MP |
| Parliamentary Secretary to the Minister for the Environment and Heritage | The Hon. Dr Sharman Nancy Stone MP |
| Parliamentary Secretary to the Minister for Finance and Administration | The Hon. Peter Neil Slipper MP |
| Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry | Senator the Hon. Judith Mary Troeth |
| Parliamentary Secretary to the Minister for Family and Community Services | The Hon. Christopher Maurice Pyne MP |
| Parliamentary Secretary to the Minister for Health and Ageing | The Hon. Patricia Mary Worth MP |
| Parliamentary Secretary to the Minister for Industry, Tourism and Resources | The Hon. Warren George Entsch MP |
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<tr>
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<tr>
<td>Leader of the Opposition in the Senate, Shadow</td>
<td>Senator the Hon. John Philip Faulkner</td>
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<tr>
<td>Special Minister of State and Shadow Minister for Public Administration and Accountability</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and</td>
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<td>Shadow Minister for Trade, Corporate</td>
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<td>Anthony Norman Albanese MP</td>
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<td>Craig Anthony Emerson MP</td>
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<td>Shadow Minister for Defence</td>
<td>Senator Christopher Vaughan Evans</td>
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<td>Shadow Minister for Mining, Energy and Forestry</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<td>Shadow Minister for Health and Manager of</td>
<td>Julia Eileen Gillard MP</td>
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<td>Shadow Minister for Information Technology,</td>
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<td>Robert Bruce McClelland MP</td>
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<td>Gavan Michael O’Connor MP</td>
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<td>Shadow Attorney-General and Assisting the Leader on the Status of Women</td>
<td>Nicola Louise Roxon MP</td>
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<tr>
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<td>Senator the Hon. Peter Francis Salmon Cook</td>
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<td>Senator Joseph William Ludwig</td>
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Monday, 21 June 2004

The SPEAKER (Mr Neil Andrew) took the chair at 12.30 p.m. and read prayers.

COMMITTEES

Science and Innovation Committee Report

Mr NAIRN (Eden-Monaro) (12.31 p.m.)—On behalf of the Standing Committee on Science and Innovation, I present the committee’s report entitled Science overcoming salinity: coordinating and extending the science to address the nation’s salinity problem, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr NAIRN—This is a unanimous report. It deals with the coordination necessary to ensure that the best scientific knowledge to combat the salinity problem is applied on the ground. We must ensure that farmers and catchment management organisations dealing with the salinity threat are equipped with the knowledge and resources to fight salinity. We must also ensure that our science agencies and programs continue to develop economically viable salinity management options that can be readily adopted by land managers. To address these issues, our report makes 24 recommendations across six themes.

The first theme is that the report recommends that regional planning and on-ground works to address salinity use the best available science as their basis, and that catchment management organisations and land managers be adequately supported to use science in their planning and salinity investment activities.

The second theme relates to research coordination. It is crucial that the nation’s considerable investment in salinity research and development not be wasted or misdirected. A strong case was made for an ongoing role in salinity R&D coordination at the national level. Our report recommends that the National Dryland Salinity Program be retained and its functions expanded to include irrigation and urban salinity. Its research, coordination and communication strategies should evolve to meet the requirements of the new natural resource management environment. Our report also recommends that a comprehensive audit of the Australian government investment in salinity research be undertaken. An audit would bring greater coherence to the range of science investments and assist in improving coordination with state and regional salinity research efforts.

The third theme relates to the adequacy of the existing science base and funding for future research. The Australian government is supporting a tremendous salinity research effort through a range of national research agencies, programs and partnerships. However, it is crucial that gaps in our knowledge be identified and addressed. For instance, many submitters called for more salinity management options that are profitable and can be adopted on a large scale, thus giving landowners a greater incentive to directly address salinity. Our report recommends that greater emphasis be given to the development of new, economically viable land and water use systems to combat salinity. The committee notes the emphasis in natural resource management policies on regional level planning and delivery of programs, which we support. However, it is important that the regional focus not detract from ongoing research into solutions that are of state-wide or national relevance. Accordingly, the committee recommends that provision be made within the National Action Plan for Salinity and Water Quality for the establishment of a salinity R&D fund to finance research of this nature.
Our fourth theme concerns the importance of salinity mapping technologies and data management. The report recommends that governments expedite the development of data management systems that are standardised, integrated and accessible. The report also recommends that managers of regional projects be equipped with the requisite skills to properly manage salinity data.

Our fifth theme—and, in my view, the most important—is the need to ensure that salinity research findings and tools are extended to users on the ground. In this respect, the report makes a number of recommendations, including that governments consider establishing groups of mobile knowledge brokers to provide scientific and technical support to land managers. The committee also recommends that governments build on current efforts to establish a multitiered database of information and salinity research findings. Traditional face-to-face advisory and support services for land managers—commonly referred to as extension services—remain an important means of transferring information. The committee urges governments, and in particular state governments, to not only maintain but also improve their support for these services.

The sixth and final theme of our recommendations is that the private sector be encouraged to undertake salinity research, development and extension activities. Our report finds that the private sector are great innovators in the areas of salinity technologies, such as mapping techniques, and are increasingly involved in providing support services for land managers.

I wish to thank my committee colleagues for their bipartisan and thoughtful input to the inquiry at all times, particularly those who made time to undertake inspections across several states. Also, I say well done to our excellent secretariat team: Catherine Cornish, inquiry secretary Jerome Brown, researcher Zoe Smith and administrative officer Suzy Domitrovic.

In closing, I emphasise that salinity is a tremendous threat to our nation. It destroys productive land and imperils farmers’ livelihoods, it reduces river quality and damages urban and public infrastructure, and it threatens conservation reserves and biodiversity. I commend the report to the House. (Time expired)

Ms CORCORAN (Isaacs) (12.36 p.m.)—The Standing Committee on Science and Innovation was sent out to inquire into the coordination of the science to combat the nation’s salinity problem. This inquiry was set up to try to discover whether the best science is readily available to and/or being used by those on the ground addressing the problem of salinity. We wanted to know if the science and research being done in the universities, by CSIRO or by the cooperative research centres set up for the purpose is actually getting to those on the ground.

This inquiry was not about the salinity problem itself. Formally, we were not interested in why we have this problem, nor were we formally interested in the many solutions that are being put forward. Our task was clearly to focus on whether and/or how the science being done is available to other scientists and those responsible for land management and the implementation of salinity programs. The decision not to be interested in what is causing salinity nor in the many solutions proposed was deliberate and very sensible. It was sensible because we needed to stay focused on the question and also because a lot of work has already been done on the causes of and solutions to salinity.

However, this is a very interesting area and it was quite often hard to ignore it as we listened to the evidence being given to us. It was hard to ignore partly because, as I have
just said, this is an interesting area but also because of the enthusiasm of those giving evidence on the subject. Both on the field trips and in the more formal sessions we met many people who were absolutely determined to solve this problem. We met people who had installed programs or systems and who had achieved a measure of success. They were justifiably proud of their achievements and keen to share their experiences.

As a result of this inquiry, what we did find in simple terms is that there is a lot of information out there but that no-one really has a good overview of what is around or where it is. Ironically, I wonder whether this situation has occurred because of the seriousness and immediacy of the problem. There has been a concerted effort by many people to address the situation. Scientists have done a lot of work and so too have many land managers. The trick now is to make sure that everyone is aware of what is around, or at least knows that research is available, and to ensure that it is accessible.

The situation is not confined to rural areas. We saw plenty of evidence of salinity being an issue in urban areas. We saw evidence of urban land managers taking steps to address the problem. Again, though, it was not clear that urban land managers are aware of work being done by others on this problem. We got the feeling that a lot is happening in isolation and that that may not necessarily always be a bad thing. There is some credibility in the argument that every area is different and has its own problems and therefore its own solutions. Again, it was hard not to get drawn down the track of trying to assess this theory because it was interesting, but we were on a different mission.

The main thrust of this report is therefore about getting a handle on what is around. The member for Eden-Monaro has mentioned that we have made a number of recommendations. They essentially call for an audit of all the salinity research and development undertaken by agencies in Australia and for a register of all this research. This should be extended to the solutions and systems developed through trial and error by those on the land as well as to those developed through more formal research and development methods.

The point was also made that solutions need to be economically viable. It must not be forgotten that salinity occurs on public open space and also in urban areas, but obviously it occurs most often on land being used for grazing or cropping and so people’s livelihoods are involved. It is clear that not every situation can be addressed by a solution that ensures the continuation of current land use. It is fairly obvious that if science is to propose alternative methods or alternative land uses then these must be economically viable if landowners are to be encouraged to stay on the land.

I would like to record formally my thanks to the committee staff—Catherine Cornish, Jerome Brown, Zoe Smith and Suzy Domitrovic—for their hard work on this very interesting inquiry. Finally, I want to record my appreciation of the work of all committee members on this inquiry, especially the chair, the member for Eden-Monaro, for his drive and unflagging commitment to the job.

The SPEAKER—Does the member for Eden-Monaro wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr NAIRN (Eden-Monaro) (12.40 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later. Leave granted; debate adjourned.
The SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member for Isaacs will have leave to continue speaking when the debate is resumed.

Transport and Regional Services Committee

Mr NEVILLE (Hinkler) (12.41 p.m.)—On behalf of the Standing Committee on Transport and Regional Services, I present the committee’s report, incorporating a dissenting report, entitled National road safety: eyes on the road ahead, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr NEVILLE—Road safety is one of the most important issues confronting Australian people in their daily lives. It is estimated that, in total, some 163,000 Australians have been killed in road accidents. In economic terms, the cost of road trauma is some $15 billion a year. In an effort to mitigate this cost, governments and industry have invested huge sums of money in an effort to create safer vehicles, roads and driver behaviour. In 2003, 1,634 people died on Australia’s roads. This was a slight improvement on the previous year but still marks a worrying trend.

After two decades of continuous improvement in Australia’s road safety record, road fatalities have reached a plateau. With this in mind, in 2003 the Minister for Transport and Regional Services asked the Standing Committee on Transport and Regional Services to investigate matters relating to the management of road safety in Australia—specifically, to review the current National Road Safety Strategy and related action plans, identify additional measures or approaches that could reduce road trauma, and identify factors impeding progress towards reducing the road toll and the means of overcoming those impediments.

The committee’s report, National road safety: eyes on the road ahead, addresses a wide range of road safety issues of national significance. The report examines road safety trends and strategies in Australia, specifically the National Road Safety Strategy 2001-10 and the National Road Safety Action Plans for 2001-02 and for 2003-04. Amongst other things, the committee is concerned that the National Road Safety Strategy pays insufficient attention to the costs in the mitigation of serious injury. The report recommends incorporating targets for the reduction of serious injuries in the National Road Safety Strategy. It also recommends implementing stricter targets, time lines and accountabilities in the National Road Safety Action Plans.

The report also looks at the important issue of speed management. Evidence presented to the committee clearly indicates that speed is a major factor in road trauma. Nonetheless, the various states and territories still tend to go their own way in dealing with this issue. The committee has argued for a better coordinated national approach to speed management. The report addresses the safety of the road environment, including the need for greater investment in low-cost road safety measures and for funding of black spots. This is an area of national investment identified as having the greatest impact on reducing the road toll in the short term.

The report recommends increased funding for road safety measures, including black spots. It also calls for road design safety and maintenance standards to reflect the needs of road users, including motorists, motorcyclists, cyclists and pedestrians. The education, training and licensing of drivers is also
a matter of great importance. In its report, the committee has argued for a balance between public education and enforcement. Both have a vital role to play in road safety. The committee has also recommended the development of a uniform licensing system across Australia.

New technology has opened the way for greater levels of vehicle safety. The committee has argued for a comprehensive review of Australian design rules to capture the benefits of new technology and for the federal government to join the Australian New Car Assessment Program. This program has been vital in providing safety information and vehicle ratings to new car consumers and the committee believes that the Commonwealth has a role in funding and directing such important safety research.

Finally, the report addresses issues surrounding heavy vehicles, vulnerable road users and youth. Among key recommendations are measures addressing driver safety in the road transport industry, including problems of driver fatigue; the development and implementation of national road safety strategies for cyclists, motorcyclists and pedestrians; and the development and implementation of a national youth road safety strategy. Overall, the report highlights the need for a national approach to road safety.

Mr ANDREN (Calare) (12.46 p.m.)—Australia’s road safety performance has improved from being 25 per cent worse than the median of OECD countries in 1970 to now being slightly better. We have gone from having 30 deaths per 100,000 per year to having about nine deaths per 100,000 per year. But, as the report suggests, we must keep our eyes on the road. The weekend tragedy near Castlemaine in Victoria underlines that fact.

During the inquiry, the Standing Committee on Transport and Regional Services spoke with many road safety organisations and individuals, from academics to professional drivers and, in the case of a supplementary inquiry yet to report on railway crossing safety, the parents of victims. The member for Hinkler ably led the inquiry, with the help of dedicated secretariat staff and committee members. As the member for Hinkler detailed, there are 38 recommendations that should ensure the National Road Safety Strategy can remain on track, but fine-tune areas needing special and urgent attention.

There is a need to focus more on the injury toll. The incidence of injury and hospitalisation is up by 14 per cent since 1992 in Queensland, with similar trends elsewhere. The committee has recommended attention to this area, as the member for Hinkler detailed. The recent plateauing of the death toll presents an extra challenge if we are going to reduce it from 9.3 fatalities per 100,000 in 1999 to no more than 5.6 per 100,000 in 2010.

The committee has made a series of recommendations for improving the road environment, including uniform national speed limits. Among some of those recommendations, as the member for Hinkler detailed, is that black spot funding should be increased and the safety and urgent works component of national highway funding should be increased by 25 per cent. While I am unable to cover all of the 38 recommendations, it is important to note that we have recommended that advertising standards need to be more rigorously complied with. The Advertising Standards Board and the Federal Chamber of Automotive Industries have been asked to review the voluntary code. There is a recommendation for a uniform licensing system and a graduated licence for novice drivers and special licences for four-wheel drive vehicles. As well, there needs to be tougher
and uniform penalties for drug and alcohol related driving offences.

One highly important area of continuing study is heavy transport, with some outstanding contributions from the industry, including from drivers. Such recommendations include new design rules covering seatbelts, improved cabin strength and underrun protection in heavy vehicles. Following evidence from drivers—notably David Leech from my own electorate—the committee has recommended the Australian Transport Council start a program of research into leakage of fumes from coolant, oil and exhaust into cabins and tighten the regulations around maintenance schedules.

Also recommended was the need for a national youth road safety strategy and action plan and an urging that the Transport Council investigate the ‘driving with a difference’ program at the University of Western Sydney. I believe the issue of inexperienced young drivers, even learner drivers at the wheel of high-powered cars, needs to be closely examined as part of this strategy—perhaps more closely examined than the committee was able to from the evidence provided. Last night’s accident underlines the need to look at this area.

There are 1,700 road deaths and 10 times as many serious injuries on our roads each year. It is true Australia has a lower fatality rate than many developed countries but the UK and Sweden have just 60 per cent of our rate and these two countries have world’s best practice which we need to emulate. Seventeen- to 20-year-olds are critically overrepresented in our statistics and country roads claim a disproportionate number of victims. It has been a privilege to have been part of this inquiry, and all members fervently hope its recommendations will contribute to achieving the ambitious 2010 targets of the National Road Safety Strategy.

The SPEAKER—Does the member for Hinkler wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr NEVILLE (Hinkler) (12.50 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later. Leave granted; debate adjourned.

The SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member for Calare will have leave to continue speaking when the debate is resumed.

Transport and Regional Services Committee Report

Mr NEVILLE (Hinkler) (12.51 p.m.)—On behalf of the Standing Committee on Transport and Regional Services, I present the committee’s report entitled Ship salvage, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr NEVILLE—For the past six months the House of Representatives Standing Committee on Transport and Regional Services has been conducting an inquiry into maritime salvage in Australian waters. The inquiry is finished and today I am tabling our final report, Ship salvage. This report follows Ship safe, Ships of shame and Ships of shame—a sequel in a series of reports the committee has carried out over time into the efficiency of Australia’s maritime transport sector.

During the inquiry, the committee received much input from a wide range of government, business and industry associations and individuals concerned with salvage in Australian waters. Salvage is an integral part of Australia’s maritime and environ-
mental safety, and unfortunately the men and women who work in this dangerous and difficult industry only get the recognition they deserve on occasions when a major disaster makes the evening news. Australians need to be much more proactive than that.

I take this opportunity to thank all those who made submissions to the committee and gave their time and hospitality as we went on our inspection tours. I would also like to thank the secretariat leader, Ian Dundas, as well as Tas Luttrell and Robert Little, who played a significant part in this inquiry. I neglected to mention Bill Pender previously.

This inquiry arose out of the Productivity Commission’s report on the economic regulation of harbour towage and related services that touched on issues of maritime salvage. Despite the Productivity Commission’s belief that market forces will continue to provide the necessary salvage capability, evidence before the committee indicated that this may not be the case for much longer. Two salvage capable tugs have already left Australian waters due to economic pressure, and the committee believes that the Productivity Commission’s report made unfortunate comments on this serious matter and paid insufficient attention to Australia’s national security and environmental integrity.

The committee has made recommendations in this report relating to the assessment of strategic placement of salvage tugs, the revenue needed to support salvage capability, maintaining salvage standards, the development of a national salvage plan and the provision of salvage related training. Thankyou, salvage incidents are few and far between. This is partly due to the fact that ships coming into Australian waters are in better condition than they have ever been before. This information is especially pleasing to the committee given its 1992 report, Ships of shame, which made many seminal recommendations relating to improving the quality of shipping in Australian waters. The committee compliments the former chair of the committee, the Hon. Peter Morris, for his continuing involvement in this field.

It is vitally important that Australia have a salvage capacity in order to secure the vital economic and environmental resources contained around our 17,000-kilometre coastline. The Great Barrier Reef, Tasmania’s fishing grounds and the Western Australian waters are just a few of the important economic and environmental resources that would be threatened if Australia did not have such a capacity. Australia has such a vast coastline that its salvage capability must not be compromised by relying on overseas operators. We cannot have ships stranded on the Great Barrier Reef, or in other sensitive marine areas, for up to 10 days whilst a foreign salvor comes to our aid.

For this reason, the committee has recommended that an assessment be made of Australia’s ports to determine the most strategic placements for salvage capable tugs and their equipment. The committee believes that the funding of salvage capability must be a tripartite responsibility between shipowners using Australian and state waters, the states, who have responsibility within the three-mile limit, and the Australian government in order for it to meet its international obligations and security responsibilities. The committee recommends that revenue be raised from shipowners via light dues or shipping levies. The committee has also made recommendations about maintaining salvage standards and the development of a salvage national plan. The committee also looked at salvage in relation to maritime security. It is unthinkable what the outcome would be if there were no salvage capacity. (Time expired)
Mr MOSSFIELD (Greenway) (12.56 p.m.)—In speaking on the Ship salvage report into maritime salvage in Australian waters by the House of Representatives Standing Committee on Transport and Regional Services, I wish to acknowledge the work of the committee’s secretariat members, particularly Robert Little and Tas Luttrell, who have both worked extremely hard to produce this excellent report. I would also like to acknowledge the interest of the member for Bass, Michelle O’Byrne, who initiated this inquiry but is unable to be in the parliament today because of the illness of a family member.

The foreword to this report by the committee chair, Paul Neville, the member for Hinkler, refers to a Productivity Commission report on the economic regulation of harbour towage and related services. The commission report suggested that market forces would continue to provide the necessary salvage capability for Australian waters. However, evidence to the inquiry indicated that this may not be the case in the future, with two salvage capable tugs having already left the Australian industry for economic reasons. There are recommendations in the report relating to the assessment of the strategic placement of salvage tugs, the revenue needed to support salvage standards, the development of a national salvage plan and the provision of salvage related training. Other issues relating to maritime salvage in Australia such as security, salvage personnel and places of refuge are also covered in the report.

In the time available I would like to focus on the Productivity Commission report. In brief, the commission made a number of assertions about this industry that evidence to the inquiry did not support in all aspects. These are listed at paragraph 3.47 of the report: efficient provision and pricing of harbour towage need not affect provision of salvage; competitive tendering need not alter the market incentives for the provision of salvage; and if ports were to introduce licences specifying a minimum standard of harbour towage capability, additional salvage capacity would be generated.

The commission report did make the valid point that if the optimal level of emergency salvage capacity is not privately profitable then intervention may be warranted. There was evidence submitted to the inquiry by Adsteam, the Insurance Council of Australia and the chief executive of the Australian Shipowners Association that suggested that market forces would not in the future provide appropriate salvage capability for Australian waters. To quote from part of the Adsteam submission to the inquiry:

We are finding now, however, that the tug customers who use Australian ports and port owners themselves, all of whom are facing competitive pressures for greater reliability and efficiencies, are increasingly uneasy that a port could lose towage capability to attend a vessel in trouble ‘outside’.

The most important part of the quote is:

These competitive pressures make it unlikely that tug companies will in the future be able to afford to invest in salvage capable tugs and equipment.

Clearly environmental considerations are important in discussing this report. Inadequate salvage capability in Australian waters would cause many of our national treasures, such as the Great Barrier Reef, the coastlines and beaches around Australia and our beautiful harbours, to be threatened by maritime pollution. The committee also considered the issue of national security, which, in view of recent overseas events, cannot be disregarded.

The report also deals with the vexed question of the cost of salvage capabilities in Australian ports. The New South Wales government generously suggested that the federal government has the responsibility to
subsidise salvage operations under a number of conventions, including the maritime search and rescue convention, the oil pollution preparedness convention and the law of the sea convention. This is an excellent report, and I would recommend its reading to all honourable members with an interest in maritime safety and environmental protection.

The SPEAKER—Does the member for Hinkler wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr NEVILLE (Hinkler) (1.00 p.m.)—I move:
That the House take note of the report.
I seek leave to continue my remarks later.
Leave granted; debate adjourned.

The SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

Procedure Committee Report

Mrs MAY (McPherson) (1.01 p.m.)—On behalf of the Standing Committee on Procedure I present the committee’s report entitled *Arrangements for joint meetings with the Senate*, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mrs MAY—I have pleasure in presenting the report on joint meetings with the Senate. The Procedure Committee decided to look at this issue following problems which arose during the meetings to hear addresses by President George W. Bush of the United States of America and President Hu Jintao of the People’s Republic of China on 23 and 24 October last year. From one view, the problems were inherent in the procedural arrangements approved by both houses for the conduct of those meetings. The Speaker was to chair the joint meeting and the standing orders of the House of Representatives were to apply so far as they were applicable. This meant that, insofar as the meeting was a sitting of the Senate, sitting at the same time and in the same venue as a sitting of the House, the Senate sitting had a member of the House of Representatives presiding and was held according to House of Representatives standing orders.

The arrangements were put in place by resolutions of the two houses. On the face of it they seemed reasonable. They provided a mechanism by which the courtesies shown by Congress towards eminent visitors to the United States could be reciprocated. In the US, joint sessions to hear addresses by visiting leaders are held in the hall of the House of Representatives as it has more seats than the Senate. They are presided over by the Speaker of the House. In using the same approach in Australia, there would be no problem so long as the application of standing orders remained a theoretical concept. However, the need for standing orders did become more than a theoretical need when two senators disobeyed a direct order of the Speaker. The Speaker had no option but to apply the standing orders relating to disorder.

Any debate about whether the House standing orders relating to disorder were within the class of those which were applicable could be answered by pointing out that they were the only standing orders available. As it was abundantly clear that a response to the disorderly behaviour was essential, the only standing orders available became, therefore, also applicable. The Procedure Committee wholeheartedly supports the action taken by the Speaker. At the same time, the circumstance in which senators attend a meeting of the Senate which is presided over
by a member of the House of Representatives is clearly undesirable. This should be avoided on future occasions. The committee concludes that future meetings to hear visiting heads of state and other leaders should be meetings of the House of Representatives to which senators could be invited. The venue should continue to be the House of Representatives. The Speaker would have at his or her disposal the standing orders as they apply to visitors. As invited guests, senators would be obliged to follow all directions of the Speaker, who exercises authority over the chamber on behalf of the House itself.

Mr Speaker, I would like to extend today my thanks to you, the Deputy Speaker, the Clerk of the House and many others who participated in the roundtable conference to talk about this inquiry and the position we may take. I would also like to thank my deputy chairman, the member for Chifley, for his input and all our committee members for their support on this report. I would also like to thank our committee secretary, Judy Middlebrook, who is here in the chamber today, and our research officer, Mr Peter Fowler. Their input and advice on this report was certainly invaluable, and I thank both of them for their support. I commend the report to the House.

Mr PRICE (Chifley) (1.05 p.m.)—The procedure for having a joint meeting of the House and the Senate in this House presided over by the Speaker actually commenced with the visit of George Bush Sr. Until the visit of George Bush Jr, there had been no problems with those arrangements. For my part, I think the behaviour of two senators, Senators Brown and Nettle, is a matter of regret and placed you, Mr Speaker, in an invidious position. For my part, I fully support the action that you took in relation to that. Having gone through a bit of the history of these arrangements, I can say they derive from the US Congress, where distinguished speakers are invited to speak in the congressional hall while senators are also present. That is the history of the arrangements here, but clearly this report shows that the arrangements that served us so well in the past are not appropriate and I am pleased to say that the recommendations that the House Procedure Committee have made are consistent with that of the Senate procedure committee.

We have made two recommendations. Firstly, the committee recommends that when arrangements are made for distinguished persons to address both houses of parliament the venue for such addresses should continue to be the chamber of the House of Representatives. Secondly, the committee recommends that any future parliamentary addresses by visiting distinguished persons should be in the form of a meeting of the House of Representatives to which all senators are invited. We have dispensed with the idea that it is a concurrent meeting of the Senate, and that is probably the most appropriate way to go. I notice that in evidence to Senate estimates the President suggested that there was some ambiguity about which standing orders applied in a concurrent meeting. Happily, with these recommendations that will no longer be the case.

Again I commend our chairperson, the honourable member for McPherson—she does a splendid job chairing the committee—and our secretarial support. This Procedure Committee, with this report, has now brought down nine reports; we have previously presented to the House another eight reports. Two of those reports did not require a government response but six did. Unhappily, to date, not one of those six reports has been responded to by the government. The report Balancing tradition and progress: procedures for the opening of Parliament was tabled on 27 August 2001 in the 39th
parliament. To date that report has not been responded to by the government, and I think that is a matter for regret.

In commending the report to all honourable members I say, with some pride in the work of the committee, that we have worked very productively in this parliament. Our reports, I think, will stand the test of time, even if they do not stand the test of a government response.

Last but not least, I say from a personal point of view—and today is an appropriate opportunity, given the large number of reports being tabled—there is the opportunity for the Procedure Committee to investigate using the Main Committee to table reports so that all members who work on reports have an opportunity to comment on them at the time of tabling. Hopefully that will be the subject of a recommendation in a future report. I commend the report.

The SPEAKER—Does the member for McPherson wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mrs May—Yes, Mr Speaker. I move:
That the House take note of the report.
I seek leave to continue my remarks later.
Leave granted; debate adjourned.

The SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for a future sitting and the member will have leave to continue speaking when the debate is resumed.

DELEGATION REPORTS
Australian Parliamentary Delegation to the 12th annual meeting of the Asia Pacific Parliamentary Forum held in Beijing, People’s Republic of China, 12 to 14 January 2004

Mr JULL (Fadden) (1.09 p.m.)—I present the report of the Australian Parliamentary Delegation to the 12th annual meeting of the Asia Pacific Parliamentary Forum held in Beijing, People’s Republic of China, from 12 to 14 January 2004. The Asia Pacific Parliamentary Forum, the APPF, is an organisation which each January brings together members of parliaments from throughout the Asia-Pacific region. Delegates discuss matters of mutual interest, as set out in an agreed agenda. Formal resolutions are adopted on agenda items and this report provides the text to 25 such resolutions.

Australia has been an active participant in the forum since it was established in 1993 and many members and senators have now attended its annual meetings. We were fortunate this time that all four delegates—myself, the member for Oxley, the member for Stirling and Senator Ferris—were seasoned APPF delegates. This provided us with an understanding of the rules and practices of the forum which allowed us to make a sound contribution to a number of aspects of the meeting.

The subject matter for the forum included political and security issues, economic issues, and agenda items ‘Cooperation for the Stability and Prosperity of the Region’ and ‘Future work of the APPF’. Australia prepared four draft resolutions covering: the political and security situation in the region; combating international terrorism; protection of the Pacific Ocean’s biomass, including relevant multinational agreements; and cooperation on the prevention and treatment of infectious diseases. Following negotiation
and amendments suggested by other countries, all our drafts were eventually adopted with three being jointly sponsored with other delegations.

The item entitled ‘Future work of the APFF’ was of particular significance to this meeting. After 13 years service to the APPF, His Excellency Yasuhiro Nakasone resigned as president, following his retirement as a member of the Japanese House of Representatives. Mr Nakasone, a former Prime Minister of Japan and the founding President of the APPF, leaves a very great legacy. He was honoured by the unanimous decision to invite him to continue his association with the APPF by becoming honorary president. In this role he will advise the executive committee and provide continuity and leadership into the future. On behalf of this delegation and previous Australian delegations to the APPF, I place on record our gratitude to Mr Nakasone for the great contribution that he has made to the forum. We wish him well in the future.

The search for a replacement APPF president failed to identify a candidate who would agree to take on the role for the three years provided by the APPF rules. Accordingly, the rules were altered to provide for a rotating president. For the future, the host parliament of the next annual meeting will nominate both a president and a chairman of the annual meeting to serve for a year. The Parliament of Vietnam will provide the first annual president.

The APPF provides an important opportunity for Australian parliamentarians to press Australia’s interests. This is done formally through our draft resolutions, but we also promote Australia’s national interests during speeches in the plenary and in bilateral meetings with other delegations. In addition, APPF delegations have the opportunity to encourage other parliamentarians in our region to understand Australians policies and priorities through the numerous informal occasions which arise throughout the meetings.

In relation to activities other than those that took place in the plenary session, I pay tribute to the role played by the member for Stirling in her leadership of the Technological Working Group. This is the second year in a row that Jann McFarlane has chaired the group, taking over the role from the member for Oxley, Bernie Ripoll. The Beijing meeting of the Technological Working Group was significant for preparing and having adopted by the plenary a statement of its aims and objectives. The work done by the group in keeping a watching brief on the APPF web site will be most valuable in the future because, in the absence of a permanent secretariat, the web site is the contact point for information of the APPF.

Delegation leaders met privately with President Hu. The President told me that he was overwhelmed by the hospitality he received during his visit to Australia last October, particularly from senators and members following his address to them. He was very optimistic about future relations between China and Australia and stated that he felt very privileged to be able to address us from the floor of this parliament.

The Australian delegation also enjoyed a successful bilateral meeting with the Indonesian delegation; and we had an informal meeting in the form of a dinner party with the Thai group as well. I thank all members of the Department of Foreign Affairs and Trade, the Parliamentary Library, particularly Larissa Ashwin from the post in Beijing, Ms Brenda Herd from the Parliamentary Relations Office and in particular Judy Middlebrook, the secretary to our delegation, who as usual did a magnificent job. Finally I would like to thank my fellow delegates:
they worked together as an effective team and represented Australia’s interests very well. (Time expired)

Mr RIPOLL (Oxley) (1.15 p.m.)—I am pleased to also speak on this delegation to the 12th annual meeting of the Asia-Pacific Parliamentary Forum, the APPF. This was the second time that I have been a delegate to this forum to help Australia contribute to these very important Asia-Pacific regional talks. I would like to begin by thanking the chairman of our delegation, the member for Fadden, who spoke some very kind words in his contribution earlier. I thank him for the role he played in assuring that Australia contributed fully. I also thank the other members of the delegation—the member for Stirling and Senator Ferris. I make particular mention also of our secretary, Judy Middlebrook, whose assistance and work for the delegation is invaluable and unbelievable. It certainly makes our work a lot easier.

This particular parliamentary forum was held in Beijing and was excellently hosted by the Chinese authorities. Their hospitality was first rate, and the way in which they organised the forum made the plenary sessions, discussions and meetings much easier to deal with.

The forum has been going since 1993—just over 10 years. In that time there have been many meetings where Asia-Pacific countries come together to discuss issues of mutual importance: economic, environmental and security cooperation; regional issues; and stability and prosperity in our region. Having been to two of these forums, I now have a fuller understanding of the importance of these types of meetings where regional partners and neighbours can come together and talk about issues that are significant to them—outside of more formal settings in government-to-government talks. These are parliamentary-to-parliamentary talks and are extremely valuable.

We discuss a range of issues, set an agenda and pass resolutions agreed to by each annual meeting so that each country can take them back to their own parliaments and use them as a basis for action in their own countries and their parts of the region. I find that extremely important, particularly in the climate that we live in with regional cooperation being a key to regional stability and cooperation between countries, in terms of better understanding what we each do, what we think about each other, how we better coordinate our own programs, and how we get on as nations and as neighbours.

The future of the APPF is significant. It is a meeting of nations that should continue into the future, and for that to happen we do need to look at a number of issues. For a few years there has been a move towards establishing a permanent secretariat. While Australia has not agreed with this position, and that continues to be the case, I do believe that we need to look at a better mechanism to continue the work of the APPF between sessions, from year to year. In our view, that has come in the form of the web site and some web based information. I think that is the best way for us to continue sharing ideas and forming resolutions. The idea of a permanent secretariat is, I think, still early. We do not have one group that is prepared to come forward and take on that huge responsibility.

We had a number of bilateral meetings; in particular, we had a very successful one with the delegation from Indonesia, our closest neighbour in the region, and we also had a meeting with our friends from Thailand. I would also like to place on the record my thanks to the Department of Foreign Affairs and Trade, the Parliamentary Library and also to Larissa Ashwin from the Beijing post, who was very helpful in getting some mate-
rial together and helping us in terms of diplomacy for our delegation. All in all, it was a very worthwhile experience and I recommend it to anyone who would like to take part in a delegation in the future. (Time expired)

COMMITTEES
Agriculture, Fisheries and Forestry Committee
Report

Mrs ELSON (Forde) (1.20 p.m.)—On behalf of the Standing Committee on Agriculture, Fisheries and Forestry, I present the committee’s report, incorporating a dissenting report, entitled Getting water right(s): The future of rural Australia, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mrs ELSON—Water is truly the life-blood of our nation. It is particularly important to our rural industries and communities. The minister’s reference to the committee in mid-2002 was very timely, with a large part of Australia in the grip of a harsh drought, which continues in some areas today.

If development was the catchcry for much of the 20th century, then sustainability is the catchcry of the 21st century. All the evidence the committee received from virtually all stakeholders, be they environmentalists or irrigators, agreed that Australia’s water resources must be managed on a sustainable basis. There was overwhelming support in the evidence taken by the committee during this inquiry for four broad principles: that the management of Australia’s natural resources, particularly water, be placed on a sustainable basis; that the Commonwealth continue to work with state and territory governments to implement the COAG water reforms to ensure long-term, sustainable water resources; that the Commonwealth maintain funding to programs such as the Natural Heritage Trust and the National Action Plan to assist regional communities which have water quality and sustainability problems; and that the Commonwealth continue to fund research into areas such as the impact of rural water usage on biodiversity, farming practices, irrigation techniques, and weather forecasting and climate predictions.

The work of this inquiry was to some extent overtaken by events, with the announcement by COAG in August 2003 of the new national water initiative. While the committee welcomed the announcement of the national water initiative, most of the members were concerned that decisions were being made before all relevant data could be compiled and analysed. In April 2004 the committee presented an interim report to the parliament focusing on the Living Murray initiative. The interim report recommended the postponement of plans to increase river flows to the River Murray until the complete data was collated and properly analysed. The committee believes that it would be better to take more time now to get things right for the future. Rural water and the communities which rely on it are far too important to be subjected to hurried, piecemeal decisions made on the basis of incomplete data.

The report I am tabling today contains 30 recommendations. The committee strongly believes that the adoption of all of these recommendations would greatly facilitate and sustain the development of rural water to the benefit of the industries and communities which heavily upon it. However, there are two recommendations which I would like to particularly commend to the government, recommendations 2 and 30. Recommendation 2 is:

The Committee recommends that a top priority of the National Water Initiative should be to fund the scientific research necessary to determine what level of water use is sustainable in each of Australia’s major working rivers and aquifers.
Recommendation 30 is that, as part of the national water initiative, a national research strategy be developed that prioritises and coordinates all research activities on water.

I will discuss recommendation 30 first. The committee believes that Australia needs a national research strategy for water. Everyone from the Prime Minister down agrees that water is a key national priority and must be supported by a properly resourced and coordinated research effort. The national water initiative presents the ideal opportunity for a proper national research strategy to be developed. Recommendation 2 really gets to the heart of the issue of future supplies of rural water. We must determine, and quickly, the sustainable use of Australia’s working rivers and aquifers. We all want our water resources to be there for future generations, and we are all agreed that these must be utilised in a sustainable manner. We need to get the balance right between water for the environment and water for agriculture. Let us make that the top priority for the national water initiative.

I would like to take this opportunity to thank all the members of the committee for their active involvement in this important inquiry. A big thank-you must be extended to our secretariat members, Ian, Bill, Marlene, Jeannie and especially Alex Olah, who is a credit to his profession. The secretariat’s dedication and support over this period was outstanding. To the many people and groups who took the time to send in submissions and appear at hearings all over Australia, this report’s results are due to the efforts that you made—a big thank-you. We became known as the drought breakers because during 2003, wherever the committee held a public hearing, it would inevitably rain in that particular area. If only it were that easy to make rain. I really feel for those areas of Australia where this awful drought has persisted so long. I commend the report to the House. (Time expired)

Mr ADAMS (Lyons) (1.25 p.m.)—Today we are presenting to the parliament the final report of the House of Representatives Standing Committee on Agriculture, Fisheries and Forestry’s inquiry into the provision of future water supplies for Australia’s rural industries and communities. The committee has been meeting for 18 months or more. It became very unwieldy and went rather too long so that, although there are some good recommendations to finally come out of it, most of them have been superseded because of a further study being undertaken by the Senate, the fact that the states are considering the whole issue through COAG this week, and other decisions made by government as this inquiry was being held.

It should have been a fundamental report, one that considered the whole role that water plays in our lives, as one of the four elements of life that also include earth, air and fire. But it has been left in the hands of sectorial interests and therefore the report has become marginalised in its final discussion. It also concentrated heavily on the Murray-Darling system at the expense of a broader, more inclusive discussion on water use and cost in Australia.

When I presented a dissenting report as part of the interim report, it was because I believed the direction of the study had been hijacked and it was being used as a political football. We had heard from some 60 scientists, well known in their field for understanding the issues involved, and there was an enormous amount of work undertaken to develop the ideas. Yet some committee members seemed to be only interested in hearing from two who had different views. So I would dispute the fact that the findings were hurried or piecemeal in their presentation, or that the data was incomplete. I doubt
whether one could present a ‘complete’ report on such a fundamental issue, as the parameters would change over time anyway.

It was and is important to start the process of introducing the additional water to the Murray-Darling system to allow increased environmental flows; quite frankly, we should get on with it. All this pussyfooting around to appease a handful of people is not getting us anywhere. I expect this report will be another to gather dust in the archives of parliament as this government shelves another important issue in the too-hard basket and will not face the decisions that need to be made.

That said, the report itself has some very good information. It has considerable amounts of data from all over Australia, not just from the states that are interested in the management of the Murray-Darling. It is a shame that it probably will not have a more careful consideration by the federal government to actually do something about the recommendations. I thought that the information that was presented to the committee was very thorough, and much of it could certainly form the basis of an overall water strategy in the future. From my point of view, I would really like to see the take-up of some of the recommendations that are more general, like the water tank policy, the cost recovery of water in urban environments and helping small communities upgrade their water supplies. This makes more sense, really, in many of the other electorates, like Tasmania, than worrying about the Murray-Darling.

But for now I would like to thank the committee secretariat, particularly Ian Dundas, Alex Olah and Bill Pender, as well as Marlene Dundas and Jeannie Brooks. They have put in enormous amounts of work and time putting together the hearings and then putting the findings into a report. Thanks to my colleagues for participating in the committee. Let us hope that in the next one we take on we can be a little bit more cohesive and dispassionate in the roles and work of the committee. It is, after all, our opportunity to do bipartisan work in the interests of parliament as a whole. I support the report.

Mrs ELSON (Forde) (1.30 p.m.)—I move:
That the House take note of the report.
I seek leave to continue my remarks at a later date.

Leave granted; debate adjourned.

Mr HAWKER (Wannon) (1.30 p.m.)—On behalf of the Standing Committee on Economics, Finance and Public Administration, I present the report of the committee entitled Review of the ACCC annual report 2003, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr HAWKER—This report is the committee’s fourth into the Australian Competition and Consumer Commission. The committee held a public hearing in Melbourne on 5 March. At this hearing, the recently appointed ACCC Chairman, Mr Graeme Samuel, appeared before the committee for the
first time in his new role. The hearing was well attended by the public, ACCC staff and the media, and a wide range of issues pertaining to competition policy in Australia were discussed.

The committee’s review of the 2003 ACCC annual report has coincided with a number of key events relating to competition policy in Australia, including Telstra’s recent changes to its broadband retail and wholesale prices and the present debate surrounding proposed changes to the merger approval process. The report also looks at issues such as Internet scams; telecommunications in rural areas; bank fees and charges; EFTPOS interchange fees; petrol pricing, including the highly popular shopper docket discount petrol schemes; the ACCC’s use of the media, public education and warnings; and the ACCC’s new leniency policy for cartel whistleblowers.

The issue of the ACCC’s funding was raised at the public hearing but, in the recent federal budget, this has improved. The fiscal position of the ACCC is considerably better, with an increase of $47 million over four years, including $10 million to the commission’s litigation contingency fund. This move is especially timely given the increasing pressure being exerted on the commission by rising litigation expenses, one example being the AGL case, which ultimately cost the commission over $2½ million.

Section 46 of the Trade Practices Act, concerning misuse of market power, was also discussed at the Melbourne hearing. The ACCC asserted that, given the confusion which has surrounded section 46 in conjunction with the High Court holding that this provision does not mean what parliament intended it to, the section should be redrafted and clarified. The Senate Economics References Committee has recently released a report which recommended substantial changes.

Our report includes four key recommendations which the committee feels would improve competition policy in Australia. The first is that the government give serious consideration to introducing criminal sanctions for participants in hard-core cartels as a more effective way of curbing this illegal conduct than just fines. Indeed, the Chairman of the ACCC, Mr Samuel, noted at the public hearing that the cost-benefit analysis at the moment is millions of dollars to be earned from cartels against millions of dollars that you might have to pay in a fine. This analysis is changed when on the latter side there are several years in jail.

Another important recommendation is that the government investigate bringing investment property advisers under a similar regulatory framework to that of financial planners. This would fill a regulatory gap which has in the past led to confusion and a lack of cohesion between the regulators. Also, the committee has proposed that the ACCC produce a public report at least annually outlining bank fees and charges, given that the latest Reserve Bank survey revealed that Australian banks earned $8.7 billion from all fees in 2003, with several significant fee increases—for example, credit card fees jumped 38 per cent to $604 million last year, and that excludes interest charges. Finally, in response to concerns surrounding competition in the telecommunications market in regional areas, the committee has recommended that further work be undertaken by the ACCC to determine the extent to which competition can accelerate access to new telecommunications technology in regional Australia.

In summing up, I would like to express on behalf of the committee my appreciation to the ACCC, particularly the Chairman and the...
CEO, Mr Cassidy, for their assistance in the review process. I would also like to express my gratitude to all committee members for their participation, especially the Deputy Chair, the member for Chisholm, and the secretariat—Mr Ryan Crowley, Mr Russell Chafer and Sheridan Johnson—for their great help. (Time expired)

Ms BURKE (Chisholm) (1.35 p.m.)—I rise to welcome this report and note that there are a lot of active committees operating in this House. It is slightly tragic that eight committees are getting a sum total of 10 minutes each today to hand down some very vital reports. A lot of work goes into a lot of these committees from backbenchers, and it seems unjust that we get such little time to outline the good work that they are doing. The ACCC have to appear before a plethora of House and Senate committees, so I would like at the outset to thank them for again appearing before the House committee. I very much appreciated the time and the detail that they put into the process, particularly into answering the questions that we could not cover on the day. The ACCC’s role is very broad ranging, and the hearing into their most recent annual report covered myriad issues.

The Standing Committee on Economics, Finance and Public Administration this year has decided to concentrate on looking at the regulators. The fundamental question is: who regulates the regulators? They are out there looking at various authorities, businesses, banks and other institutions, but who looks over their shoulders to ensure that what they are doing is in the best interests of the parliament and the public? It is quite fascinating to get these institutions before a parliamentary committee and ask them what they are doing and, more fundamentally, how they do it.

I would like to put on the record our thanks and appreciation for his good work to the previous Chairman of the ACCC, Professor Fels, who retired prior to this report being handed down. I welcome Graeme Samuels, who I think will bring a very different perspective to the role of Chairman of the ACCC. At the hearing in March the committee was shocked to learn of the perilous state of the ACCC’s exposure to litigation costs. The Weekend Australian on 6 March said:

In 2002-03, the ACCC notched a $10.2 million operating deficit, of which $9 million stemmed from litigation costs.

“Litigation is becoming more expensive. We are being taken to the highest courts in the land by bigger business who have been more willing in recent years to take us on,” Mr Samuel told the committee.

“It is an attempt to try and test the regulator’s resilience (but) they will find that we are very resilient.”

Litigation costs are rising as cases become more complex, while evidence and witnesses need to be increasingly sourced from overseas.

Mr Cassidy said the ACCC had yet to carry out a review of its discretionary activities, but promised that no “worthwhile” cases would be dropped because of a lack of funding.

I am glad that the ACCC’s and the committee’s faith has been restored in the Treasurer, because the ACCC received a total of $77 million in additional funding in the 2004-05 budget, including $25.2 million to replenish the litigation contingency fund, which is used to meet the other parties’ costs in cases that the ACCC loses. Graeme Samuel, on the announcement of the additional funding, said:

The additional funding was primarily for litigation in the enforcement area.... Corporate Australia may have believed that the ACCC had been weakened by recent losses and
would not have the inclination—or funds—to take on the difficult cases.

Let me assure everyone that this is not so. The ACCC will continue its work with the same vigour as before.

I welcome that additional funding to ensure that the ACCC can continue its good work. The report makes four recommendations, and I want to concentrate on two of them. Regarding recommendation 2, the committee heard many witnesses who talked about the inability to regulate property spruikers. In particular, we have seen Henry Kaye’s antics and the impact that they have had on property investors. Something needs to be done now. We have heard lots of talk; we now need to see action. We need a government keen enough to regulate and put something in place. I heartily endorse recommendation 2 of the report.

I also heartily endorse recommendation 4, which deals with bank fees and charges. Again we have seen spiralling bank fees and charges being forced upon the public. Bank fees paid by households were up by some 15 per cent just last year, and we are in a situation where we are paying almost three times as much as we did in 1996. Again, something needs to be done. We have talked and talked and seen no action. If the Treasurer will not give a reference to the ACCC to regulate bank fees and charges, then at least the ACCC can come out with a decent report so that the public can monitor these fees and charges. I thank the secretariat for their support during the inquiry. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—Does the member for Wannon wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr HAWKER (Wannon) (1.40 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

DELEGATION REPORTS

Australian Delegation to the 110th Inter-Parliamentary Union Assembly held in Mexico City and the ANZAC Day ceremony, Mexico City, 15 to 25 April 2004

Mr SCIACCA (Bowman) (1.40 p.m.)—I present the report of the Australian Delegation to the 110th Inter-Parliamentary Union Assembly held in Mexico City and the ANZAC Day ceremony, Mexico City, 15 to 25 April 2004. The report I have tabled presents in detail the work of the Australian parliamentary delegation at the 110th Inter-Parliamentary Union Assembly held in Mexico City in April 2004. At page 3 of the report we present the highlights of the delegation’s work at this IPU Assembly. As usual, the Australian delegation worked hard and effectively, and this in many ways has been one of the most successful IPU assemblies that we have attended as the official delegates of this parliament over the last three years.

I think it is appropriate to record some of these highlights. My colleague and leader of the delegation, Senator Chapman, was elected as a Vice-President of the Second Standing Committee on Sustainable Development, Finance and Trade. Senator Jeannie Ferris, who has been a very active Australian delegate at the IPU over the last three years, was elected to the Coordinating Committee of the Meeting of Women Parliamentarians. My good friend and colleague Ms Maria
Vamvakinou, the member for Calwell, made a significant contribution to the drafting of a final resolution on the emergency agenda item on:

The role of parliaments in stopping acts of violence, and the building of the separation wall, in order to create conditions conducive to peace and a lasting solution to the Palestinian-Israeli conflict.

As the title of the resolution suggests, this was a highly charged issue for the IPU, and Ms Vamvakinou’s work on the drafting committee that met for many hours to formulate a final resolution was recognised by several delegations at the IPU Assembly, including the delegations from both Israel and Palestine. Although the emergency agenda item attracts the interest and attention of all delegates during the assembly, other committees debate and finalise resolutions on important international issues. Senator Ferris contributed to the Second Standing Committee on Sustainable Development, Finance and Trade’s consideration of:

Working towards an equitable environment for international commerce: the issues of trade in agricultural products and the access to basic medicines.

Senator Ferris also made an intervention in the plenary session’s consideration of the final resolution on this matter in order to explain Australia’s position on free, just and multilateral trade. I contributed to the Third Committee on Democracy and Human Rights when it considered:

Furthering parliamentary democracy in order to protect human rights and encourage reconciliation among peoples and partnership among nations.

Senator Chapman also spoke at the general debate on the political, economic and social situation in the world with particular reference to reconciliation and partnership. All delegates attended the meetings of the Twelve Plus Group and the Asia-Pacific Group—the two geopolitical groupings to which Australia belongs. I would also like to take this opportunity to record how honoured the delegation was to be asked to participate in the Anzac Day ceremony held in Mexico City and how privileged I was to deliver the address at that ceremony as a former Minister for Veterans’ Affairs. I think the delegation’s report eloquently expresses sentiments that I expressed that day and the feelings of the other delegations attending the ceremony:

The delegation was very moved by the ceremony and honoured to participate in it. Although thousands of kilometres from similar ceremonies being conducted in Australia, the proceedings in Mexico City had the same poignancy and significance. Indeed, in some ways the fact that the ceremony was being held so far away from Australia gave testimony to the timeless significance of ANZAC to Australians and New Zealanders.

The delegation records its very sincere appreciation of the Australian Ambassador to Mexico, Mr Graeme Wilson, and his staff, including Peter Rennert and Chris Munn, for their assistance while we were in Mexico City. The ambassador is doing great things for Australia in the region and he is assisted in this by his very professional and committed staff. We thank them for the assistance they provided to us during our stay in Mexico City.

I wish to record my thanks to our leader, Senator Chapman, and the other delegates, who have worked cooperatively and effectively at the IPU. Our record over the last three years shows a delegation that has influenced the internal workings of the IPU, and, in this regard, I emphasise the position we took on financial reform and increased accountability within the organisation. The record also shows a delegation that contributed to all IPU committee debates and resolutions.
I must say that over the last three years we have been very well looked after by our advisers. In this regard, I thank Mr Phillip Allars and Mr Doug Foskett from DFAT. In particular, I want to thank Mr Neil Bessell, the secretary to the delegation—a very good personal friend of mine and someone who has served us extremely well. Mr Speaker, I thank you for your cooperation as well. I was not able to be with you when you led one of these delegations, but you have been an inspiration to us. I want to thank everybody involved.

The SPEAKER—Order! Even on that note, I am forced to interrupt the member for Bowman to indicate that, it being 1.45 p.m., the debate is interrupted in accordance with standing order 101A.

STATEMENTS BY MEMBERS

Health: Magnetic Resonance Imaging Machines

Mr MURPHY (Lowe) (1.45 p.m.)—For more than two years I have been campaigning for the Howard government to grant a Medicare-eligible MRI licence to Concord hospital in my electorate of Lowe. Today, I again speak on behalf of Concord’s radiology department, the RSL and the veterans’ community, Sydney university and the 8,759 constituents who have signed my MRI petitions, and demand that the federal government grant Concord hospital a Medicare-eligible MRI service.

On 9 June, the federal Minister for Health and Ageing, the Hon. Tony Abbott, announced that the government will fund 23 more Medicare-eligible MRI machines. One of the three locations announced by the minister includes the federal seat of Adelaide, the government’s most marginal South Australian seat. However, the remaining 20 locations, according to the minister, are to be announced within a few weeks after consultation with the radiology profession and the clinicians. It is appalling hypocrisy for Minister Abbott to guarantee a Medicare-eligible MRI machine for the government’s most marginal seat in South Australia and reserve 20 other machines for a cynical pork-barrelling exercise for the upcoming election. Even worse, it appears there will be a bias towards giving them to private providers while ignoring public hospitals like Concord. This is an opportunity for the federal government to stop playing politics with the health care of my constituents. It must listen to the people of the inner west and match the commitment of the New South Wales government, which has agreed to provide a MRI machine— (Time expired)

Ryan, Mr John

Mr RANDALL (Canning) (1.46 p.m.)—Today I wish to provide congratulatory comments to Mr John Ryan of 38 Meridian Drive, Mullaloo in Western Australia. John Ryan—or, as he is affectionately known, Blue Ryan—is the Australian National President of the Australian Federation of Totally and Permanently Incapacitated Ex-Servicemen and Women. He has been the president since 2000. Blue is the sort of person you would want in your corner. He is a Vietnam veteran himself. He represents his national constituency very well. He represents his constituency of Western Australia in a passionate, fierce and strong manner, but he also is an articulate man who deals with both sides of government to get a better deal for his people. I am very pleased to raise this: amongst all of the Australia Day awards that were received on the Queen’s Birthday, Blue received the Order of Australia medal in the general division. I congratulate him for all his hard work. He is a very deserving person, and these awards identify magnificent people like Blue Ryan.
Rankin Electorate: War Service Awards

Dr EMERSON (Rankin) (1.48 p.m.)—On behalf of the Australian parliament, on 10 June 2004 I was honoured to present 20 local veterans with certificates of appreciation for war service and seven local national servicemen with medals at a ceremony held at the Logan and District RSL Sub-branch. This ceremony was particularly special as we had veterans representing World War II right through to the peacekeeping operations in Iraq. The veterans who received their certificates were: Joseph Auld, Dorothy Ward for Walter Bean, Julie Booth, Neil Bridge, Edwin Butler, Gordon Cashel, Ronald Cruickshanks, Adrian Everett, Colin Fiedler, Keith Graham, Herbert Hall, Bryan Ingram, Gary Low, Elliott Mitchell, Edward Purtell, Colin Saunders, Dorothy Sawrey for Mervyn Sawrey, Eugene Van Doorn, Norman Willis and Colin Deering for Kevin Winter. The national servicemen who were presented with their medals were: Charles Boggs, Charles Brumby, Morris Casey, Bertram Grasmeder, Gary Low, Len Maple and Greg Rennex. Rod Stenholm and Don Morrison also received their Vietnam Logistics, Service and Support Medals. My congratulations go to Ken Heard and his colleagues at the Logan and District RSL Sub-branch for organising a marvellous and moving ceremony.

Red Nose Day

Mr BARTLETT (Macquarie) (1.49 p.m.)—This Friday, 25 June, is Red Nose Day—Australia’s national fundraising day dedicated to raising awareness and funding research into the causes of sudden infant death syndrome. SIDS, also known as cot death, tragically takes the lives of approximately 100 Australian babies each year. It is in fact the major cause of death in Australian children between the ages of one month and one year. Red Nose Day was first conducted in 1988, when it raised $1.3 million. Since then the program has grown dramatically, increasing public awareness of SIDS and other causes of infant mortality. The national charity day now aims to collect $4 million each year for use in research; implementation of the Kidsafe program, already responsible for saving over 4,000 Australian babies’ lives; and further raising public awareness.

Richmond High School in my electorate has been a leader in Red Nose Day fundraising. Since the school became involved in the program, it has raised over $300,000 for SIDS research and has hosted the Red Nose Day official national launch. This is an outstanding achievement and the students, staff and parents of Richmond High School are to be congratulated for their leadership in this vital work. The school has been greatly supported by the local community and has incorporated the organisation of the annual event into its educational curriculum. Richmond High School will continue its impressive commitment to Red Nose Day again this year, including its annual Red Nose Day dinner this Friday. Congratulations to Richmond High School for its tireless efforts in this—(Time expired)

Bacon, Hon. James (Jim) Alexander

Mr SIDEBOTTOM (Braddon) (1.51 p.m.)—I wish to pay personal tribute to the late Jim Bacon, Labor Premier of Tasmania from 1998 to 2004. I remember Jim was personally supportive of my long campaign to win Braddon for the ALP, most especially in the very lean years when encouragement was needed most. Jim’s personal letter of congratulations when I was finally elected in 1998 is one of my most cherished pieces of correspondence. Tasmanians today have a great sense of optimism about our island paradise. Jim Bacon was personally instrumental in helping bring this about. Jim’s great strength was that as an eager immigrant...
and passionate convert to Tasmania he was able to see that our island had much to offer and was capable of greater things. His legacy proves he was right. Jim Bacon was a genuinely respected man loved by many Tasmanians. He was a natural leader and a successful one. He was also a good man, much loved and loving. He loved Tasmania and politics, but he loved his family most—especially his loving wife, Honey. He will be greatly missed, but we are better for his wonderful contributions to our state and for his falling in love with Tasmania in the first place. Rest in peace, Jim Bacon—and thanks.

McPherson Electorate: Innovation

Mrs MAY (McPherson) (1.52 p.m.)—Little more than a month ago I rose to inform the House that the Gold Coast is the new innovation corridor of Queensland. Today I rise to speak about a specific company which exemplifies the spirit of innovation and is an illustration of the type of company found in the innovation corridor on the Gold Coast. Poly Optics, a company owned by Eddy and Sue Joseph, is leading the way in the production of world-leading technology of optic fibre. I recently visited Eddy and Sue at their Burleigh factory to congratulate them on winning the prestigious DuPont innovation award.

The DuPont innovation award is awarded for great inventions and recognises Poly Optics’ cutting-edge technology in fibre optics and its spirit of innovation. The company has developed a flexible optic light system which allows for the low-cost delivery and transfer of sunlight, as well as transfer and distribution to light from light-emitting diodes, or LEDs. This technology is both environmentally friendly and cost effective. The LEDs emit a cold light, which currently is being used in such applications as step lighting for buildings, garden lighting and pool lighting. The company supplies businesses around Australia and, with the assistance of a business export grant, it is exporting its products to Mexico, Germany, England, France and Korea.

Poly Optics is a good example of how a small business can grow if it invests in research and development. It is this investment in R&D that has led to innovation which will allow environmentally friendly lights to burn at almost no cost. I commend Eddy and Sue Joseph for their hard work and determination in bringing this product to life, and I commend them for winning category 1 of the 2004 DuPont innovation awards. (Time expired)

Howard Government: Advertising

Mr RIPOLL (Oxley) (1.54 p.m.)—Over the past week or so, households throughout my electorate of Oxley have been receiving a package in the mail from the federal government, signed by the Prime Minister. This package has been informing one and all that they have cover under a thing called Medicare. This would come as no surprise to the good people of Oxley, but what would come as a surprise to them is the amount of money being wasted on this direct mail campaign and the accompanying print, radio and TV advertising—in the order of $15.7 million just for this particular campaign.

That money would have covered every single bulk-billed consultation in the electorate of Oxley last year and a significant number of consultations in the neighbouring electorate of Blair. With bulk-billing rates plummeting and out-of-pocket costs skyrocketing, this money could have been much better spent ensuring families in Ipswich and Brisbane were able to access affordable, quality health care. This is a disgrace and a complete waste of taxpayers’ dollars which should have been redirected to provide quality health care for all Australians.
This is a government of records: record low rates of Medicare bulk-billing; record credit card debt; record foreign account deficit; record new taxes—this is the highest taxing government in history, not including the GST; and a record spend on political advertising, in the order of $120 million. In 1998 the government spent around $30 million in the months leading up to the election. In 2001 the government spent around $70 million in the lead-up to the election. This year it is already over $100 million. (Time expired)

Family Services: Child Care

Mr BAIRD (Cook) (1.55 p.m.)—I wish to draw the attention of the House to the great news for families in my electorate of Cook which was delivered last Tuesday by the Minister for Children and Youth Affairs, Mr Larry Anthony. The minister has advised me that my electorate of Cook will be receiving an additional 115 out of school hours child-care places. The extra places in Cook form part of the 40,000 places nationally which were announced during the budget in May.

In the modern world, where often both parents are working full time, it is increasingly difficult for families to balance work and family demands on their time. Outside school hours care is essential in assisting those who are trying to balance both of those aspects of their lives. With care provided both before and after school, as well as during school vacation periods, it allows parents to meet their work commitments while knowing that their children have quality care when it is required.

These extra places will make life easier for families with working parents in the shire. At Caringbah Public School an additional 45 places have been approved for both before and after school care programs. At Miranda North 20 places have been approved for after school care, 15 for before school care and 20 for vacation care. The Caringbah YMCA and Caringbah Our Lady of Fatima School have had five places approved for after school care, and at Grays Point 10 places have been approved for after school care at the public school. These extra places demonstrate the Australian government’s continued commitment to assisting families by providing affordable care for children outside regular school hours and during vacations. (Time expired)

Education: Funding

Mr ORGAN (Cunningham) (1.57 p.m.)—Today is the national public education day of action. I took the opportunity to meet with Fran Matas of the New South Wales Teachers Federation and Maurie Mullheron, principal of Keira Technology High in Cunningham, where I recently attended the launch of a quality teaching and learning interactive CD. The Greens are committed to the prioritisation of funding for the public education sector. Unlike the government and opposition, we believe that government must put public education first.

At the moment the coalition is doing untold damage to Australia’s public education system by allowing large amounts of limited public funds to be hived off to the private sector. The 2004 ratio stood at 66 per cent to private and only 34 per cent to public—a shameful figure for any government. As a result, public school infrastructure is being allowed to run down. My electorate of Cunningham is rife with so-called temporary demountables, which are often left in place for decades, instead of funds being made available for their replacement by purpose-built facilities. Government is also putting increasing pressure on staff and failing to adequately remunerate them, while families are being forced to bear increasing costs.

It is vital that we continue to enjoy a quality public education system in this country. It
has been an important element of the development of an egalitarian society, which we pride ourselves on as Australians. We cannot allow it to be run down and our children and our society to suffer as a result. Government must provide more money to the sector. ‘Choice’ should not be the mantra at the expense of a quality public education system available to all Australians irrespective of their ability to pay.

**Sport: Cricket**

Mr MOSSFIELD  (Greenway)  (1.58 p.m.)—I would like to take this opportunity to congratulate a constituent of mine, Troy King, on being selected in the Australian cricket side to tour England for the upcoming Ashes series. I first met Troy when he was selected to represent Australia at the Sydney Paralympic Games in goalball, the only sport specifically catering to the blind and vision impaired. To now be selected in the first blind touring test team to England is a credit to his skills as an athlete and his determination to succeed as a sportsman. Not too many people get to represent Australia in two different sports, but Troy will join that elite club on this tour in August.

The team will be playing at the home of cricket, Lords, and in Hampshire and Sussex in England in both tests and one-dayers. They will then move to face the Springboks in South Africa. However, the blind cricket team is struggling to gain enough funding for this historic Ashes tour, as our sporting funds are directed elsewhere. This is a pity. Raffles, trivia nights and footy tipping competitions can only go so far. They are seeking more money for that touring team. *(Time expired)*

The SPEAKER—Order! It being 2.00 p.m., in accordance with standing order 106A the time for members’ statements has concluded.
division of Denison in 1996 and he became Leader of the Opposition, taking over from Michael Field, a year later. He won the 1998 election and was overwhelmingly re-elected as leader of the Labor Party in August 2002.

In the 5½ years that we worked together, I found Jim Bacon a very constructive person to work with. He was interested in the future of Tasmania. Despite our evident and manifest political differences, that never prevented us discussing matters in a sensible fashion. I want to place on record the fact that we were able to work together and that there was a very effective cooperation between the two governments over that period of time.

I think all Australians were moved by the manner in which Jim Bacon announced to the world that he had inoperable lung cancer. I remember the day that he made that announcement and conducted his press conference. I had the opportunity to speak to him just after he returned to his home after that very traumatic period of time. He spoke to me of the immense privilege that he felt in being elected to such a high office in his state. He expressed a hope and optimism that he might be given an opportunity to have more time with his wife and family. Sadly that was not to turn out to be the case. He obviously had an extremely aggressive form of lung cancer and, despite intensive chemotherapy, he did not live for more than three or four months.

It is important that we place on record his contribution to public life. Public life is frequently too heavily maligned. Whatever people’s political views may be, when you are committed to a cause, as he was, and you have the opportunity to rise to the highest position—in his case in his state, within his own party, playing a role in the affairs of his state at the highest level for a period of 5½ years—it is important for all of us who strive in different ways to improve the welfare of the people who elect us that we pause for a moment and mark the contribution that people have made.

He was a person of great personal optimism and he carried that optimism forward into the final struggle of his life. I certainly think that Tasmanians, whatever their political views may be, will remember him as somebody who fought hard for the interests of his state and carried into practice in public life those things that he believed in. He did not have an easy childhood. His father died when he was 12 and his mother was left on a war widows pension, supplemented by work as a night nurse, to raise five children. He completed his secondary education at Scotch College on a bursary and he later attended Monash University in Melbourne on a scholarship.

I think all of us would echo again the very heartfelt and eloquent plea that he made for the young of this country not to commence the terrible habit of smoking. It is one of the things that he will be well remembered for. He took the opportunity, inevitably made possible by the sad circumstances of his resignation, to make a heartfelt plea for that. It is something that all of us can echo. We can only join others in expressing our sympathy to his wife, Honey, and to his two sons, Scott and Mark, and convey to them our very fond thoughts in their time of very great sadness and bereavement.

Mr Latham (Werriwa—Leader of the Opposition) (2.07 p.m.)—On indulgence, I join with the Prime Minister in honouring the life of Jim Bacon. Today we mourn the passing of a man much loved by both the people who knew him and the people he led. Jim Bacon was a good man, a committed trade unionist and a successful reforming Premier of Tasmania. I will always remember him as a tremendous person, a man with a great
sense of humour who was always positive and optimistic, especially during his courageous battle with cancer. He was an incredibly strong and impressive person. I saw him at his home in Hobart in March, and he was talking about his illness as if it was just some passing problem, something that he could handle with a good laugh or the flick of his hand, something that his spirit would front up to. He was not intimidated; he was strong. He was an impressive person under all conditions. I have never seen such optimism and strength under pressure from anyone. He was a very special person indeed.

He was also a great character, an Australian original, down to earth and with a great sense of fun. The night before our ALP national conference in Sydney in January there was a presentation where the different state and territory leaders could say a few light-hearted things about their jurisdictions. I remember saying to Jim after it that he was so fair dinkum funny that he could have been a stand-up comedian. He had a wonderful sense of humour, a wonderful sense of timing. He really was an Australian original, and we enjoyed his company so much over the years.

His life was taken early but he achieved a great deal. He was the privately educated son of a professional family in Melbourne. Jim’s passions were captured by the revolutionary spirit of our university campuses in the late sixties and early seventies. He was a Maoist in his philosophy at that time and, as he proudly told me in March, he got to China before Gough. These political interests and his social commitment led him to become an official of one of the nation’s most active trade unions, the BLF, and that was during its most active period. Jim Bacon was tough and he was loyal—as he needed to be to represent and fight for the interests and rights of working Australians.

In 1980, he moved to Tasmania, ultimately becoming Secretary of the Trades and Labour Council and then entering the state parliament in 1996. He then found his vocation in life as Premier of Tasmania—the job of his life, as he so often said. He loved every minute of it. And it was through his ideas, his reforms and very often his own personal willpower that he transformed that state. He turned the Tasmanian economy around, boosted its population, created jobs, reversed the brain drain and brought back the ferries. He replaced the defeatism of Tasmania’s decline in the 1980s with a new spirit of hope and optimism. It was very much his own personal spirit of hope and optimism.

He also believed very strongly in the unity of the Tasmanian people. I know that Jim often thought long and hard—indeed, agonised—about some of the political divisions in the state between environmentalists and advocates of the forestry industry. He wanted to bring Tasmanians together. In the program called Tasmania Together, a communitarian project, he tried to work through the democratic processes, the issues and the differences and to use the power of reason to bring progress to his people and his state. It was an attempt to turn an island state into a community governed by the principles of public service, social justice and tolerance—and it worked. In very large part, it worked.

Jim Bacon was a great Tasmanian and a great leader of his state. He was loved and respected and now, of course, he is missed by so many. On behalf of the Australian Labor Party, I pay tribute to Jim Bacon and convey my sympathy and condolences to his wife Honey, his sons Mark and Scott, his stepson Shane, his mother Joan and his sisters Jenny, Mary and Wendy. We are much weaker as a movement and much weaker as a nation for his passing.
The SPEAKER (2.11 p.m.)—Let me identify all members of the House with the expressions and comments made by the Prime Minister and the Leader of the Opposition. It seems to me appropriate, given the sentiments expressed, that we should all rise as a mark of respect to the memory of the former Tasmanian Premier.

Honourable members having stood in their places—

The SPEAKER—I thank the House.

DISTINGUISHED VISITORS

The SPEAKER (2.12 p.m.)—I inform the House that we have present in the gallery this afternoon members of the New Zealand Parliament’s Government Administration Committee and a group of parliamentarians from Kenya who are here as part of a parliamentary delegation from Kenya. On behalf of all members of the House I extend a warm welcome to our guests.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Banking: Branch Closures

Mr Latham (2.12 p.m.)—My question is to the Prime Minister. I draw his attention to the closure of 1,600 bank branches in Australia since 1996, including 450 closures in rural and regional Australia. Prime Minister, will the government now require APRA and the Department of Transport and Regional Services to conduct an independent audit of banking services and request the banks to act on the findings of the audit? If the banks refuse, will the government establish a bank community obligation fund by which the major banks would help to restore banking services around the country, especially in regional areas?

Mr Howard—I might start my response to this question by pointing out to the Leader of the Opposition that the most proactive thing that any government has done about rural services in this country in the last 20 years has been the inauguration of the rural transaction centres program. These are centres which provide basic services in rural areas where the critical mass has made it difficult, on commercial grounds, for banks and other financial institutions to maintain services. There are currently 114 rural transaction centres operating in Australia and a further 126 have been approved.

I might point out to the Leader of the Opposition that this is doing something positive with well-directed government resources to maintain basic services in country areas. It is a proposal that was first conceived back in 1997—seven years ago. In fact, I think I opened the first one. I remember that not long after the last election I paid a very memorable visit to Ganmain in the electorate of the member for Riverina, in which we opened a rural transaction centre. The giro-Post initiative is offered at almost 3,000 Australia Post outlets across Australia. I will respond to the Leader of the Opposition in relation to the requirement on the banks, but perhaps I should ask the Leader of the Opposition, rhetorically, of course: will he join me in applauding the rural transaction centres initiative as a great coalition initiative to do something about this problem?

The Labor Party have released a policy on banking. In my view, that policy will impose additional costs on banks, and those costs will be passed on to customers through higher fees and charges or increased interest rates. The $30 million community fund is nothing more than another tax on the banks. The Labor Party’s proposal will impose an additional layer of red tape. I point out to the Leader of the Opposition that it is not necessary to legislate for mandatory safety net accounts, as banks already provide no frills accounts to low-income earners, including pensioners. I say to the Leader of the Opposition again: banks already provide no frills
accounts to low-income earners, including pensioners.

While we are talking about bank fees, I also remind the Leader of the Opposition of a bank fee which he opposed the abolition of—that is, the financial institutions duty. The financial institutions duty, which used to collect $1.4 billion from banking customers, was part of taxation reform. Guess who opposed that? Guess who airbrushed that out? That did not get a reference in front of Country Labor yesterday. No, there was no talk of financial institutions duty when the Leader of the Opposition addressed Country Labor yesterday. If the Leader of the Opposition had had his way, bank customers would be paying an additional $1.4 billion. I remind him of the way interest rates have fallen under this government. I remind him of the financial literacy initiatives of the Consumer and Financial Literacy Taskforce, chaired by Mr Paul Clitheroe in February this year. In other words, I do not think the Leader of the Opposition’s initiatives will benefit consumers. They tread a path that has been well trodden before by others. They will add complexity and red tape, and of course they fail to acknowledge that, if the Labor Party had had their way, we would still have the financial institutions duty that would be ripping $1.4 billion out of bank customers.

Trade: Free Trade Agreement

Mr LLOYD (2.17 p.m.)—My question is addressed to the Prime Minister. Would the Prime Minister inform the House what the prospects are for the implementation of the free trade agreement with the United States?

Mr HOWARD—I thank the member for Robertson, who, along with so many members on this side of the House—and I detect, from this morning’s press, along with a growing number of people on the other side of the House—sees the virtue of Australia joining in ratifying, as appropriate, through individual pieces of legislation, the free trade agreement negotiated by the Minister for Trade with the United States several months ago. As I have indicated to the House before, the signs that I received from both sides of Congress when I was in Washington were very encouraging. There is a real prospect that, within a few weeks, the American Congress could vote in favour of the US-Australia free trade agreement. But it is not only both sides of politics in the United States that need to be in favour of this measure if it is to become law; it needs to be a meeting of minds of both sides of politics in Australia as well.

So far, the Leader of the Opposition has been unwilling to declare himself. The Leader of the Opposition has had at least four or five months to examine this, and he still cannot make up his mind, unlike of course the eight Labor state and territory leaders. Of the pieces of correspondence that I had in front of me over the weekend, I had letters to the six premiers and the two chief ministers of Australia. I was writing back to them and thanking them for expressing the willingness of their state governments to participate in the government procurement market section of the Australia-US free trade agreement. At a federal government level, access to the United States federal government procurement market opens up a potential market of $US200 billion. I can now inform the House that 27 states of the United States have also indicated that, at a state level, they will join the procurement market. Those states include California, whose procurement market alone is worth $42.7 billion; New York, where the market is worth $37.6 billion; and Texas, where it is worth $24.6 billion. It is estimated that the state government procurement market is worth another $200 billion on top of the federal government procurement market.
One of the conditions of the free trade agreement is that we can have access to this enormous government procurement market. It is little wonder, therefore, that, for example, the Premier of New South Wales, Mr Carr, said:

It is in Australia’s interest to link ourselves with the world’s most dynamic and creative economy.

Also, the Premier of South Australia said, ‘An FTA would give us access to 280 million customers.’ The Premier of Victoria said, ‘I recognise the potential benefits for the Victorian economy through increased access to markets and improved investment flows.’ And never one for understatement, the Premier of Queensland said, ‘An FTA could be the most momentous boost for our primary industries in 100 years.’ They are not my words; they are not the words of the Deputy Prime Minister, the Treasurer or the Minister for Trade. They are the words of the Labor premiers of Australia.

I think that people living all around this country will say that, if the Prime Minister can make up his mind, the Deputy Prime Minister can make his mind, the premiers of all of the states can make up their minds and the chief ministers of the territories can make up their minds, why can’t the Leader of the Opposition make up his mind? Why can’t the Leader of the Opposition get off the fence and take a stand? Why can’t he make a decision to support something that is overwhelmingly in the long-term interests of this country? If we reject this free trade agreement, we will be seen as a laughing stock in the Asia-Pacific region.

Apparently, the Labor Party fall over themselves to support a free trade agreement with Singapore and Thailand—and we welcome that, of course—so why won’t they give their support to the United States free trade agreement? The Labor Party will have further opportunities to declare themselves over the days and weeks ahead. If they listen to the advice of Labor leaders around Australia who have responsibilities in government as distinct from the opportunism of opposition, they will put the national interest ahead of the political interest and they will back the free trade agreement with United States.

**Banking: Services**

Mr Latham (2.23 p.m.)—My question is to the Prime Minister. I refer him to the difficulty that most Australian consumers and small businesses face in transferring from one bank to another. Will the government now adopt Labor’s policy of increasing competition in the banking industry by making it easier for customers to change banks—that is, by requiring a customer’s old bank to transfer all direct debit details to their new bank within three working days? Prime Minister, wouldn’t this reform benefit many thousands of bank customers and small businesses around the country?

Mr Howard—It is very interesting that I should get a question on heightened competition from the Leader of the Opposition, who has spent a great deal of time denigrating the competition policies that have been followed by this government. Can I remind the Leader of the Opposition that one of the reasons why we have—

Mr Crean interjecting—

Mr Howard—Let us get the historical sequence right. The member for Werriwa belongs to the Australian Labor Party that presided over the highest interest rates this country has had since the end of World War II. It presided over housing interest rates of 17 per cent. It presided over bill rates for farmers that went as high as 23 per cent. It presided over interest rates for small business that went to 21 per cent. Those interest rates have come down under this government. One of the reasons they have come down is that we have fostered greater compe-
tion between the banks and the financial institutions. We have increased the role in the activity as a result of the recommendations of the Wallis committee, which was set up immediately after we won government. We have seen the entry into the housing finance area of organisations such as Wizard and Aussie. Those intermediaries have played a major role in the lowering of interest rates. In those circumstances, the Leader of the Opposition, as so often with these things, brings very little credit and very little past performance to questions relating to competition between the banks.

Taxation: Goods and Services

Mr RANDALL (2.25 p.m.)—My question is addressed to the Prime Minister. Will the Prime Minister inform the House how the states and territories are benefiting from the GST? Has this situation changed from when the intergovernmental agreement was signed in June 1999?

Mr HOWARD—I thank the member for Canning for that very interesting question. I always warm to the subject of Commonwealth-state financial relations when I can feel a premiers conference coming on. At the beginning of a week in which I am pleased as always to have the premiers for dinner, it is always a good idea to have something to say about Commonwealth-state financial relations.

This year’s Budget Paper No. 3, entitled Federal financial relations, contains some very interesting information. I want the House to listen to this very interesting information. It reveals that, over the five-year period from 2003-04 to 2007-08, the states and territories will receive a grand total of $183.9 billion in GST revenue. It also indicates that, over that period, the states and territories will be $8.9 billion better off than they would have been if the Keating government’s Commonwealth-state financial arrangement formula had continued.

Let me just tell you how much better off each individual state will be: New South Wales, $1.14 billion; Victoria, $1.43 billion; Queensland—listen to this—$3.18 billion; Western Australia, $1.16 billion; South Australia, $750 million; Tasmania, $449 million; the ACT, you would believe, $249 million; and the Northern Territory, $574 million, with a population of 160,000 or so. What these figures represent is the latest piece of evidence of the extraordinary generosity and effectiveness of the new revenue-sharing arrangements between the Commonwealth and the states.

The interesting thing is that, when the intergovernmental agreement was signed in June 1999, it was expected that the benefits from the new arrangements would take much longer to flow through. Originally, it was anticipated that New South Wales and Victoria would get ahead only from 2007-08 and South Australia and Tasmania from 2006-07. But such has been the effectiveness of the new tax system that that is no longer the case. They have effectively come onto the benefits at a much earlier point in time. In fact, we know that all states and territories have been in a net gain position from 2003-04, with the exception of New South Wales, which attains a net gain from the GST in 2004-05. I emphasise these figures for what they illustrate—that is, for the first time since World War II, a federal government has given the states access to a growth tax. The alibi that many of those states have had in the past—that, if only they had more money from the Commonwealth, they could do their job—is no longer there.

I know that in Canberra today there are a number of people representing and concerned about, as they properly should be, the interests of government schools around Aus-
tralia. I will take the opportunity of pointing out to the parliament that every time a state government in this country spends $1 on a government school, 44c in that dollar has come from the GST or Commonwealth government grants. I will say that again: every time a state government around Australia spends $1 on a government school, 44c in that dollar has come directly from the GST or Commonwealth government specific purpose payments. So when you add that to the direct funding of government schools by the federal government, the reality is that federal governments provide more money for the funding of government schools than, indeed, do the state governments from their own revenue sources.

Health: Child Obesity

Ms GILLARD (2.30 p.m.)—My question is to the Prime Minister. I refer the Prime Minister to the research conducted by Professor Boyd Swinburn, the author of the government report that concludes that a ban on TV advertising of junk food would be one of the most effective weapons in reducing its consumption. Isn’t it also the case that Australian television features more food advertising—an average of 12 ads per hour—than any other country in the world? Why has the government ignored the conclusions of the research it commissioned, and when will the Prime Minister join with Labor in implementing a ban on junk food TV advertising?

Mr HOWARD—I thank the member for Lalor for her question. Let me just say again to her, through you, Mr Speaker, why I am against the ban proposed by the Labor Party. My philosophical view is that, if something is legal to sell, then in the absence of an overwhelming public interest case it should not be illegal to advertise it.

Ms Macklin interjecting—

Mr HOWARD—I am very happy to try to answer that if I am given the opportunity because I think there is a very important philosophical issue involved in this. I think the case in relation to smoking is quite different from the case in relation to junk food. There is nothing wrong with eating at McDonald’s, it is how many you eat at McDonald’s that is the problem. If you apply the philosophy of the Labor Party, you would ban altogether advertisements for alcohol, analgesics and Panadol. If you have too many Panadol it is bad, I understand, for your kidneys. If you have far too many Panadol it is bad for you, full stop. Where does it end? Do you put a ban on wine? Do you put a ban on alcohol?

An honourable member—Coffee.

Mr HOWARD—Coffee, too, because that has caffeine in it. And so the list goes on. This is an important issue. This whole idea that, according to the particular whims of the time, you should put a prohibition on advertising a product that is legal to sell establishes an extremely bad precedent. It is something that the government opposes and will continue to oppose. This, of course, does not in any way address the impact, once you start banning things, that the loss of revenue would have on the very effective and high-quality free-to-air television system that we have in this country. I think Australia has one of the best free-to-air television systems in the world. Our free-to-air television, given our population, is far better than the free-to-air television services of many other countries. Once you start going down this path, you can always mount an argument for going further.

Ms Roxon interjecting—

The SPEAKER—Order! The member for Gellibrand!

Mr HOWARD—I say again that the banning of tobacco was based upon the proposition that, from a health point of view, there is no such thing as a safe level of smoking. Yet there is such a thing as a safe level of con-
sumption at McDonald’s—that is the difference. If you apply the logic of the Leader of the Opposition, you should not have any advertisements for alcohol at all. The truth is that the human consequences that flow from the abuse of alcohol are far greater than the human consequences that flow from obesity, yet nobody is saying that we should ban alcohol nor do I hear the opposition saying we should have a ban on the advertising of alcohol. Heaven help the principle of freedom of expression in a commercial context if the member for Lalor ever gets her hands on the health portfolio.

Ms Roxon interjecting—

The SPEAKER—Heaven help the member for Gellibrand if she persists with her interjections!

Economy: Growth

Mrs MAY (2.35 p.m.)—My question is addressed to the Treasurer. Would the Treasurer outline to the House recent trends in the growth and distribution of household income? What do these trends indicate about the economic wellbeing of Australian families? What are some of the factors that have led to these outcomes?

Mr COSTELLO—I thank the honourable member for McPherson for her question. Recently the Australian Bureau of Statistics released Australian social trends 2004, which is category 4102.0. The ABS statistics show that, in relation to wages and household income, over the last eight years when this government has been in office real wages have increased by 14.1 per cent. That is an increase, over and above the cost of living, of 14.1 per cent. The previous government, the Labor Party, was in office for a longer period. It was in office for 13 years—not eight years—and, over those 13 years of Labor Party government, real wages increased 2.5 per cent compared to 14.1 per cent over the last eight years.

Many of us who were in the parliament at that time remember how the Labor Party would actually boast about how they had a policy of cutting real wages, which was the genesis of the prices and incomes accord—led by such venerables as the now member for Hotham, in his previous reincarnation as the ACTU president. The ALP actually had an objective of cutting real wages. Let me give another comparison about family assistance. When this government came to office, the minimum family assistance payment was less than $600. From 1 July the minimum family tax benefit will be $1,695—a practical way of helping families here in Australia under this government. In addition to that, from 1 July income tax will be further cut.

When you break all of those statistics down, the real level of household disposable income has increased 28 per cent over the term of this government. That is more than a quarter and getting up to a third. Mr Speaker, you have often heard the expression—used quite carelessly, I believe—‘The rich get richer and the poor get poorer.’ This document on Australian social trends shows that the rich do get richer and the poor are getting richer in Australia as well. Household incomes for the different deciles, both at the bottom end and the top end, are increasing. That appears from the average real disposable household income comparisons between 1994 and 2001. So how is it that real wages can increase and household disposable income can increase for people at the bottom end of the income scale and at the top end? That can only be done in a growing economy. It can only be done at a time when you are creating 1.3 million new jobs and if you can balance your budgets, keep your inflation low and keep your interest rates down, reform your taxation system, move on your structural policy and keep Australia at the forefront of the economic performance of the developed world.
There was a banking policy that was released on the weekend. It was replete with inquiries, analyses, new reports that were going to be done and all sorts of fandangles. But the one thing that banking policy did not have was a commitment to keeping interest rates low. That is a curious omission by the Australian Labor Party—a whole banking policy but not one commitment in relation to interest rates. Economic management takes discipline and consistency of purpose—you do not download your economic policy from the Google server on a day-to-day basis. You have got to be interested in the big issues—the structural changes in the Australian economy. That is what this coalition government is focused on. We intend to continue doing it on behalf of the people of Australia.

Alcohol Advertising

Ms GILLARD (2.40 p.m.)—My question is to the Prime Minister. Does the Prime Minister support the continuation of the current ban on advertising alcohol during children’s viewing hours?

Mr HOWARD—I support all existing arrangements. But I am totally opposed to extending them to food. I might add that it is illegal to sell alcohol to children.

Trade: Free Trade Agreement

Ms GAMBARO (2.41 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House of how it is in Australia’s national interests to have a free trade agreement with the world’s largest and strongest economy? Are there any alternative views?

Mr VAILE—I thank the member for Petrie for her question. For her information—given that we all know how interested the member for Petrie is in the Australian seafood industry, particularly exports of Australian seafood—as a result of the negotiated agreement with the United States all Australian seafood exports will enter the US market duty free on day one, as soon as this agreement enters into force—that is, currently $140 million worth of exports out of Australia will enter duty free from day one.

The benefits of the Australia-United States free trade agreement to the national interest have been clearly and broadly debated amongst the community in Australia and within this parliament. An economic analysis has been undertaken that indicates that after 10 years it will be worth $6 billion to the economy annually. Thousands of Australian exporters support what is being negotiated in this agreement: the billions of dollars worth of extra income for the beef and dairy industries; the immediate and complete opening up of the market for Australian lamb exports; the opportunity for Australia’s manufacturers—particularly the automotive sector—to get access to the largest and most dynamic economy in the world.

For 15 months we have been negotiating this agreement and for the last five months we have been debating it in this place and publicly in Australia, since the negotiations were concluded. There is a legally signed-off text available for scrutiny. The whole nation knows what is in this agreement. All the people that I mentioned can make a decision about whether we should go ahead with this agreement or not. Of course, overwhelmingly across Australia, the answer is that we should go ahead with this agreement.

It is interesting to note, though, that the Leader of the Opposition still cannot make up his mind, unlike some of his colleagues, as to whether to support this agreement or not, notwithstanding the fact that six state Labor premiers and their governments—they are in government and they want economic development in their states—support this agreement. For all sorts of individual reasons, they see the benefit in this agreement for their states. Collectively, one would
imagine, that ought to be good and in the national interest.

Yet the Leader of the Opposition is still unable to come to terms with it after five months of deliberations. As the Prime Minister indicated, if we were to walk away from this we would be ridiculed across the world. We have put ourselves into a preferential position against most of our major competitors in terms of doing business in this market. If we were to step back from this we would automatically let them through the door ahead of us, and we would be abrogating our responsibility to represent the national interest if we did that. Of course, the government is not going to do that.

We have the six state Labor premiers and the majority of business across Australia supporting that. The Leader of the Opposition even supports, without a question of doubt, the Singapore free trade agreement and the Thai free trade agreement. There has not been debate about those. There has not been question about those. Why is so much concern being raised about the negotiated agreement with the United States?

We come to this week in the parliament. We will have the opportunity to debate the enabling legislation later this week. To borrow a phrase from the mentor of the Leader of the Opposition, it’s time. It is time the Leader of the Opposition made up his mind. It is time the Leader of the Opposition showed some leadership over his divided party on this issue. It is time the Leader of the Opposition stopped playing politics with Australian jobs—and it is estimated, if we go ahead with this agreement, there will be 30,000 new Australian jobs. It is time the Leader of the Opposition supported the national interest and showed support for the Australia-US free trade agreement.

Howard Government: Advertising

Mr McMULLAN (2.45 p.m.)—My question is to the Prime Minister. Does the Prime Minister recall promising in 1995 that, in respect of government advertising, he would in office “ask the Auditor-General to draw up new guidelines on what is an appropriate use of taxpayers’ money in this area”? Is the Prime Minister aware that the Auditor-General proposed such guidelines in 1998? Does the government’s latest round of advertising, costing more than $110 million, meet these guidelines?

Mr HOWARD—I will tell you what they meet: the guidelines that you imposed when you were in government. That is what they meet. The member for Fraser was painfully aware of this when he was interviewed on television the other night. He was asked about the performance of the Keating government in this area. He made it very clear that the guidelines that are being followed are no different from the guidelines that were followed by the former government. We all remember the contribution of Bill Hunter. We all remember that.

I point out to the member for Fraser that a very large number of the government campaigns include such things—and I would be interested to know whether the member for Fraser wants any of these discontinued—as campaigning against alcoholism and illegal drugs, especially amongst children, and encouraging parents to discuss these issues with their children; encouraging people to quit smoking; informing people about their ability to access funds for local environment projects through the Natural Heritage Trust; encouraging people to take out Australian citizenship; and urging young people to consider and employers to support apprenticeships. Let us look at the reality when compared with the sort of government advertising that goes on at a state government level.
For example, for 2003 federal government advertising was $97 million; the state government advertising bill—and I think they were all Labor governments by 2003—was $156 million for the six months to June 2003 only. So, if you assumed a continuation, you would have a figure of about $300 million versus $97 million from the federal government. And you are asking me about guidelines on government advertising!

Environment: Water Management

Mr FORREST (2.48 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Will the Deputy Prime Minister advise the House of the government’s attitude to the importance of water to Australian communities? Would the Deputy Prime Minister furthermore advise the House of initiatives the government is pursuing to provide sustainable and secure access to water for industry, consumers, irrigators and the environment?

Mr ANDERSON—I thank the honourable member for Mallee for his question. I begin by acknowledging the member for Mallee’s passionate interest in water. He is an engineer, and I think there could not be a more passionate advocate than he is for the water needs of his community, including of course the Wimmera-Mallee pipeline.

Nothing could be more important than ensuring, in the driest inhabited continent on earth, that we use our water very carefully, that we plan carefully for the future, that the water goes where it can create the most value, the most jobs and the greatest export performance and that it is all done sustainably. So it is that water and its proper management is unquestionably one of the biggest issues that the nation faces. The premiers are coming to Canberra on Friday. In that context, I hope they are focusing on what needs to be done. Water is often thought of as a rural issue because that is where, believe it or not, 67 per cent of consumptive water is used. In reality, it involves all of us. I think all Australians know that not only because of the imagery of drought on their television screens but also because something like 80 per cent of Australians are at the moment facing water restrictions.

In relation to where the water goes, yes, something like 67 per cent of Australia’s water is used by the farm sector. But they are not the end users of that water. The people who eat the food and wear the clothing that that water produces are the end users of it. Of course, they live all around Australia and overseas, because our water produces enough food and fibre for some 80 million people around the world—a pretty astonishing performance. We have a responsibility to use that water wisely for high-quality, low-price produce not just for Australians but for people around the rest of the world as well.

The COAG meeting on Friday will make a very important decision regarding our national water initiative—whether to agree to it and its principles or not. I believe this is very important to the future economic prosperity of all Australians as well as the security of the Australian agricultural sector. A major problem, a really serious problem, has arisen in recent years—that is, water users have experienced a fundamental loss of certainty and security in their water rights. The implications this has are profound. It affects their ability to plan, to invest, to get into better technology, to produce more with less water and indeed to have confidence to take a long-term view of sustainability.

We find that, extraordinarily but in a very welcome development, we now have governments, farmers, environmentalists and scientists alike united in the view that certainty and security of access to water not only will facilitate investment, economic
growth and innovation but is a vital key to achieving better sustainability outcomes. So we are on the brink of a historic opportunity for governments to put in place a framework to provide water users with the security they need to invest with confidence, to provide secure flows to the environment and to ensure fair dealing for the nation’s water users.

The government are firmly committed to this agreement. We are firmly committed to getting water management right for Australia, but we will not sign on to an agreement for the sake of an agreement. It has to provide the right framework to take us forward. Firstly, it must deliver that investment certainty by ensuring proper access entitlements. Secondly, it must develop a proper framework for measuring, monitoring and accounting for the nation’s water—where it is, who owns it and where it is going to—because we do not have that at the moment. Thirdly, it must improve the efficiency of water use in urban areas. Fourthly, it must ensure that trading reforms deliver real outcomes and that water goes where it needs to and can best produce the right outcomes for the nation. Fifthly, it must ensure fair pathways for dealing with overallocation where that exists and ensure that risk assignment is properly handled.

As the Prime Minister said in this place last week, the 25 June meeting is a make-or-break meeting. We cannot go on talking about this issue forever. I had hoped when we checked the web site that that might have come up at the Labor Party’s country conference. I can find nothing on their web site. That does not mean that nothing was said; it does not even mean that there was nothing put on the web site. There could have been something, but there is not at the moment. That is disappointing because, to be fair, many of their state colleagues have provided a bit of leadership here. We are looking for them to complete that next Friday.

About the best we have had, apart from a bit of mumbling about the Murray-Darling from the Leader of the Opposition, has been from my opposite number, the member for Batman, who suggested that Australians could perhaps use a bit less water when they wash their cars. That is about as sophisticated a policy approach as we have had from him. It is time to move beyond that. State governments must sign on to a high-quality national water initiative so that we can move on, particularly to get some real expenditure under way in relation to the Living Murray process.

Medicare: Bulk-Billing

Ms GILLARD (2.54 p.m.)—My question is to the Minister for Health and Ageing. Can the minister confirm that the national bulk-billing rate has declined from 80 per cent in 1996 to just 68 per cent today? Why is the Howard government wasting $110 million on cynical political advertising when this money could have paid for more than four million bulk-billed consultations?

Mr ABBOTT—I can inform the member for Lalor that the bulk-billing rate has gone up as a result of the MedicarePlus package, which members opposite opposed tooth and nail. I can also inform the member for Lalor that any advertising that this government does is providing legitimate information to the Australian people, such as the information currently being provided to the Australian people about the brand-new Medicare-Plus safety net—a safety net that members opposite are pledged to rip away from people, thereby exposing people with the highest health costs to more suffering and more hardship. Any advertising that the government spends money on is about federal government programs and federal government benefits for people, unlike members opposite. When members opposite were in government, they spent $5.5 million just before
the 1993 election on—you know what?—advertising public hospital entitlements. Public hospital entitlements are entirely provided by the state governments.

Ms Macklin—Because they were under threat from John Hewson.

The SPEAKER—Order! Member for Jagajaga!

Ms Macklin interjecting—

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

Mr Sidebottom interjecting—

The SPEAKER—Member for Braddon!

Economy: Fiscal Policy

Mr BARRESI (2.56 p.m.)—My question is addressed to the Treasurer. Would the Treasurer detail to the House the benefits of responsible economic policies which are fully funded and fully costed? Do significant spending proposals currently exist which put at risk sound economic outcomes? Would the Treasurer outline these risks?

Mr COSTELLO—I thank the honourable member for Deakin for his question. I can say that one of the reasons why the Australian economy has been able to grow, notwithstanding the East Asian financial crisis and the US recession over recent years, is that we have run balanced budgets. We have now repaid $70 billion in net terms of Labor’s $96 billion debt. The debt to GDP ratio in Australia is now about three per cent. All of that could be threatened by an incoming government with a Whitlamite agenda. I was very interested to wake up on Sunday morning and read my Sunday Age newspaper, which announced:

Since winning the Labor leadership 200 days ago, Mr Latham has made 200 promises …

… … … …

The price tag for the 200 promises has topped $10 billion over four years.

And there they all were. The Sunday Age said that that $10 billion of savings is going to be paid for, Labor says:

… by reallocating existing government spending and measures such as a tax on the mining industry.

So a tax on the mining industry is apparently going to pay for $10 billion of profits. This, of course, is the secret $8 billion list. After nearly choking on my weeties as I read the Sunday Age, I flicked across to the Sunday Herald Sun. The Sunday Age had just told me about Labor’s $10 billion spend proposal and the Sunday Herald Sun told me about Labor’s new tax policy, which is to give a tax break of $520 a year to low-income workers at a cost over the forward estimates of $11.2 billion. The paper says the opposition leader, Mark Latham, said that Labor had identified $8 billion in savings to fund a broader Tax-Pack.

It is the most amazing thing, isn’t it? You have $8 billion of savings which is going to fund $10 billion of new spending and $11 billion of tax cuts. Most of us would say that $11 billion plus $10 billion is $21 billion to fund out of $8 billion of savings but, no, not the Labor Party. That $8 billion of savings funds $10 billion of expenditure and $11 billion of tax reductions. This is all in the $8 billion list, which Alan Jones was told was in a document that the public could look at. It is the famous airbrushed transcript; the 2GB 14 May list. I said, did I not, on Thursday that the whole of Australia wants to look at this list? This list can fund $10 billion of expenditure and $11 billion worth of tax cuts.

The member for Moreton gave me a copy on the way down to the chamber of Labor’s economic adviser’s book. I have Labor’s economic adviser’s book here. Labor’s economic adviser is Mr Norman Lindsay, who wrote a book called The Magic Pudding. If they get elected, Labor are going to give
three books to every child. Can I nominate one of them? Can I put this in the hands of every single Australian child? It is the story, as it says here, ‘about a very unusual pudding.’ It continues:

Whistle three times, turn it round and it’s steak-and-kidney, if that’s what you fancy, or hot jam roll, or delicious apple dumpling. Its manners are appalling, but it tastes so good! And it loves, just loves, to be eaten:

“Eat away, chew away.
munch and bolt and guzzle,
Never leave the table till you’re full up to the muzzle.”

Sounds like a Labor spending program, doesn’t it? I was discussing this with the member for Warringah. He thinks that the shadow minister for health may not approve of this pudding. There could be a lot of junk food in this pudding. Fancy telling kids about things like jam rolls or delicious apple dumplings. I wonder if The Magic Pudding will make it through the thought police of the Australian Labor Party, to get on that list of three books that could go to every Australian child.

We still have the case of the missing airbrushed transcript. Last Thursday, when Mr Jones asked, ‘The public can look at this list?’ Mr Latham said, ‘Yes, I’ve got that right here in front of me.’ We cannot wait. Whether it is a jam roll or a steak and kidney pie or whether it is something else, show us the list, because it is sure going to be a beauty.

**Transport: AusLink**

**Mr CREAN (3.02 p.m.)—**My question is to the Treasurer—

_Honourable members interjecting—_

**The SPEAKER—**The member for Hotham is entitled to be heard in silence.

**Mr CREAN—**Does the Treasurer recall his answer on Thursday when he said, ‘In relation to the AusLink funding, it is all factored into the budget—it was announced on budget night’? Is the Treasurer aware of the Deputy Prime Minister’s promise of an extra $500 million funding announced on 7 June, when he said, ‘There’s $450 million announced in the budget, but we’re revealing today a further $500 million or so?’ And further when he said, ‘$3.1 billion was announced in the budget. We have increased it by $500 million since then and of course it is coming from consolidated revenue’? Treasurer, how is this extra $500 million paid for, or was the Deputy Prime Minister not telling the truth?

**Mr COSTELLO—**I thank the honourable member for his question. As per usual, the Deputy Prime Minister was telling the truth. We on this side can vouch for the veracity of the Deputy Prime Minister. The AusLink announcement was made in the budget and, from memory, I think we set out $11 billion over the forward estimates in existing and new funding for both road and rail.

**Mr Crean interjecting—**

**The SPEAKER—**The member for Hotham has asked his question.

**Mr COSTELLO—**All of those projects, as I said before, have been factored in. They have been announced. The forward estimates have been put out and they are accounted for in the budget. Those projects will be fully funded—each and every one of them.

**Mr Crean interjecting—**

**The SPEAKER—**Order! The member for Hotham has asked his question.

**Mr COSTELLO—**We have set out all of those projects, and they will be fully funded—

**Mr Crean—**Where is the $500 million?

**The SPEAKER—**The member for Hotham is warned! I had already indicated to
Mr COSTELLO—As I said, under the AusLink program we have set out the expenditures in relation to road and rail. We have announced the forward estimates in relation to those projects, including the year-by-year, and they will all be fully funded. This government has now produced seven surplus budgets. We have reduced Labor debt by $70 billion and the debt to GDP ratio is three per cent. This government has the runs on the board in relation to financial management. We can compare that with the Australian Labor Party in which the member for Hotham proudly served. The last five budgets were deficit budgets. They ran to the 1996 election saying there would be a surplus when the budget was then $10 billion in deficit, and they ran up an additional $70 billion of net debt over those last five years.

There is one way the Labor Party, if it really is serious that it has changed its ways, can open itself up to scrutiny: it can release the list which the Leader of the Opposition promised was in front of him on 14 May and would be available to the public. It can announce its $11 billion tax policy—

Mr Sidebottom interjecting—

The SPEAKER—The member for Braddon!

Mr COSTELLO—and it can go through the $10 billion of expenditures. I am going to put this on the record, because the last two times—

Mr Sidebottom interjecting—

The SPEAKER—Order! I warn the member for Braddon!

Mr COSTELLO—The last two times when the member for Hotham was engaged in putting forward policies which could have been costed under the Charter of Budget Honesty, he failed to get his policies out in time for an independent costing during the election campaign. I can remember the last campaign. We were on the Thursday night before the election, and they still had not produced the policies for costing under the Charter of Budget Honesty. The member for Hotham has a track record in relation to these matters. Labor promised they would have their tax policy out during budget week. They promised Alan Jones there was a public list. They promised that they would put their policies out for costing. They have failed to do so. They are some $21 billion short at the moment, and I call on the Australian Labor Party to let the Australian public in on the secret.

Military Involvement in Iraq

Mr BAIRD (3.07 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House whether Australian Defence Force personnel have a legitimate role in helping to rebuild and secure Iraq’s future? How is this contributing to Australia’s national interest? Is the minister aware of any alternative views?

Mr DOWNER—First, can I thank the honourable member for Cook for his question. I recognise not only the interest he has in the role of the Australian Defence Force personnel in Iraq but the support he provides to them as well. On this side of the House, we know that the Australian Defence Force is playing a vital role in Iraq, helping that country to rebuild after three decades of tyranny and, of course, on this side of the House we are delighted to see the overthrow of Saddam Hussein’s tyrannical regime. And, let me add, we are very proud of having played a role in the overthrow of that tyranny, because the Liberal Party and the Nationals will always stand up against tyranny.

Honourable members interjecting—

Mr DOWNER—The Labor Party laughs. They should go and look at some of the reso-
utions from the 1938 conference and see what they said about standing up to tyranny. One of the key examples of what we are doing in Iraq is through our C130 Hercules. Their crews are doing an excellent job as part of our troops in Iraq. As I said in the House last Wednesday, they have completed over 400 missions, moving 9,300 people and conducting 925 aeromedical evacuations, and as long as our troops remain in Iraq they will require that service. That troop commitment is vital too to the advancement of Australian interests. Our trainers are helping Iraqis to stabilise their own country. That is important to the Middle East, and it is vital to the war against terrorism.

Are there any other views? I think I have been able to demonstrate over the last week that the policy of the opposition—of the Leader of the Opposition in particular—on this question of troops in Iraq is a complete shambles. In his so-called ‘cut and run’ policy mess, the Leader of the Opposition moved from telling the Australian public he wanted to withdraw all troops from Iraq by Christmas to saying, ‘Well, actually, all the time I have been telling everybody there will be a partial pullout.’ This is in a way the worst of all options, because you leave those troops in Iraq without logistical support and you send a message to the terrorists that we are going to cut and run. That is the wrong message to send: it is the wrong message to send to terrorists; it is the wrong message to send to our alliance partners—

Mr DOWNER—including the Americans, yes—and it will make Australia look a weak country, which is something that we have not done in the past and we should not be doing in the future. I spoke last Wednesday or Thursday about the C130 Hercules, and I noticed that the member for Griffith was on Lateline being interviewed about this question. It was an interesting interview.

Mr Howard—Very interesting.

Mr DOWNER—The Prime Minister saw it as well. You often get very interesting interviews on Lateline. The member for Griffith was particularly droll in this interview. The shadow minister for defence has told us—and the Leader of the Opposition would, if he had the courage to stand up and talk about this issue—that Labor’s policy is to withdraw the C130s. On Lateline the member for Griffith, who is the shadow minister for foreign affairs, said: ‘As far as the detailed decision on this’—that is, the withdrawal of the C130s—‘is concerned, there will be an appropriate decision at the time by people with on-the-ground experience.’ But, hang on, Mr Speaker, the shadow minister has already made a decision and announced it: Labor is going to withdraw the C130s. But according to the member for Griffith, ‘We are going to make a decision on that later on.’ That is just like the situation when the Leader of the Opposition says Labor is going to withdraw all our troops, only the member for Griffith says, ‘We will make a decision on the 86 troops protecting our embassy later on.’ The farce, if I may say so, just rolls on and on, every time an opposition spokesman is interviewed on this issue. We still await, by the way, the statement by the Leader of the Labor Party on what Labor’s true position is on this issue.

The Leader of the Opposition is still standing by his statement that the role of our forces in Iraq is merely symbolic and the member for Griffith was talking about tin soldiers on Lateline the other night. The member for Griffith is ever garrulous. I was heading out to a function in my electorate on Saturday night, and I thought, ‘I’ll just catch the ABC news before I go.’ There he was again, the member for Griffith—always with
a slightly unbelievable statement, always, if I may say so, Mr Speaker, with plenty of ammunition for his political opponents. This time he passed us a bit of ammunition: he said, ‘An election campaign based on national security is John Howard’s national diversion strategy.’ What? National security is a national diversion? Actually, national security is the most fundamental responsibility of the national government—not, if I may say so to the member for Griffith, a diversion strategy.

Education: University Funding

Ms MACKLIN (3.13 p.m.)—My question is to the Minister for Education, Science and Training. Is the minister aware that 20,000 qualified Australians were turned away from university this year because the Howard government refuses to fund enough university places and that 40,000 people wanted to get into TAFE and could not get in? Why is the Howard government wasting so much Australian talent by spending $110 million on political advertising when this money could have provided 16,000 qualified Australians with a university place this year?

Dr NELSON—I thank the member for Jagajaga for her question and commence by advising her that the $36 million which is being rotted from the average Australian worker with the Centenary House deal would have funded at least 3,500 university places. It is interesting to hear this question, because back in January the Deputy Leader of the Opposition was running around Australia telling Australians that 70,000 people had missed out on university places. In fact, the reality was revealed when the Australian Vice-Chancellors’ Committee published the final figure for eligible unmet demand—19,300 to 24,000. It was a figure which had dropped from last year, but the Deputy Leader of the Opposition was nowhere to be found.

What Australians need to understand is that 20,000 eligible Australians missed out on a university place this year but there are 40,000 who, having got a place this year, will have left by the end of the year and will never return. Of the 228,000 who started a university course this year, there are 100,000 who will not complete that course at all. If the Deputy Leader of the Opposition thinks that 20,000 people missing out on a university place—when 40,000, by the way, got a place and will drop out and never come back—in the space of one year is bad, how would she feel about 146,000? When the Labor Party was in government in 1993, the Australian newspaper reported, ‘146,000 miss out on university places.’ What has happened under this government is that there have been more opportunities and more places, and over the next five years there will be another 35,000 fully funded HECS places. At the same time, the Labor Party has got a $1 billion funding hole in its own higher education policy—explain that to the Australian people!

Medicare

Mr BILLSON (3.17 p.m.)—My question is to the Minister for Health and Ageing. Would the minister outline to the House what the government is doing to strengthen Medicare? Is the minister aware of any proposals to substantially change the Medicare system? What is the government’s response?

Mr ABBOTT—I thank the member for Dunkley for his question, because, in common with all members of the Howard government, Medicare is an article of faith with the member for Dunkley. Since 1996 we have preserved it, we have protected it and we have strengthened it. We have backed words with deeds and we have backed deeds with dollars. Since October last year we have spent an extra $4 billion on Medicare, which means more doctors and nurses into general
practice, more bulk-billing and, above all else, the brand-new Howard government safety net to protect people with high out-of-pocket out-of-hospital health costs. While the Howard government has been the best friend that Medicare has ever had, it seems that members opposite are having second thoughts about Medicare.

Ms Gillard interjecting—

The SPEAKER—The member for Lalor!

Mr ABBOTT—There is an alternative policy and it is going to be presented by premiers Bracks and Carr to the COAG conference later this week.

Ms Gillard interjecting—

The SPEAKER—Order! The member for Lalor now persistently interjects in spite of the chair drawing her attention to her obligations.

Mr ABBOTT—Premier Bracks has commissioned a major study by the Allen Consulting Group. I table chapter 8 of that study. It is described as ‘cabinet-in-confidence’ and it is dated 26 April this year. The Bracks-Carr plan, supported by John Brumby’s former chief of staff, the member for Lalor—the Bracks-Carr-Gillard plan—involves pooling all federal and state health spending under the control of a national health commission. This is a $60 billion bureaucratic behemoth that would be accountable to no-one and elected by no-one, and that is the Labor Party’s Medicare policy.

The Labor Party wants to reform Medicare out of existence: the $8 billion Medicare benefits schedule—gone; the Pharmaceutical Benefits Scheme—gone; $4 billion of aged care spending—gone! What Labor is toying with would be the end of Medicare as we know it. Instead of having demand-driven patient-initiated programs such as the MBS and the PBS, we would have a world of queues and rationing reminiscent of nothing so much as the British National Health Service at its worst.

I call on Premier Bracks to make public the whole of the Allen Consulting Group document. I also call on him to reveal how much the Victorian government has paid to prepare federal Labor’s policy for it. Most of all, I call on the member for Lalor, the shadow minister for health, to explain precisely what she means when she says she supports the pooling of all health care funding, and I want her to explain to this parliament and to the Australian people why she wants to tamper with the world’s best health system.

Ms Gillard—in response to the Leader of Government Business’s invitation, I will do that right now, or I will do it as a personal explanation later.

The SPEAKER—The member for Lalor will resume her seat, or I will deal with her. It is question time.

Family Services: Child Care

Mr SWAN—My question without notice is directed to the Minister for Children and Youth Affairs. Minister, did the government’s leaked cabinet work and family documents detail critical long day care shortages in outer metropolitan areas including Penrith, Blacktown, Melton, Brimbank, Hume, Wanneroo, Joondalup and Stirling? Can the minister confirm that the $110 million the government is spending on political advertising could have purchased around 55,000 additional long day care child-care places in these outer metropolitan areas?

Mr ANTHONY—I thank the member for Lilley for his question, because it gives an opportunity for the government to talk about its very proud record when it comes to child care. Indeed, since we came to government the number of child-care places has gone up by 73 per cent—that is, from 300,000 to over 530,000 places. When you look at outside
school hours care you see a 234 per cent increase in places. When you look at family day care you see a 23 per cent increase in places. There has even been a 22 per cent increase in child-care services.

The member for Lilley asks about some areas where there is unmet demand. I am very happy to inform him that one of the measures in the Stronger Families and Communities Strategy that was mentioned only a couple of weeks ago in connection with the child-care support program is incentives for long day care centres to be established in areas of unmet demand. For the first time we have made provision for centres that can go into outer metropolitan areas and regional and rural areas. That was never available under the Australian Labor Party. Frankly, the greatest risks to the child-care sector are the attitude taken by the ACTU, where you call long day care providers abhorrent and you call the corporates evil, and your consistent policy of talking it down.

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

Mr Anthony—When it comes to advertising, why don’t you hand back the $6,721 that, as the minister for health eloquently says, you trouser every day for Centenary House?

Education: Funding

Mr Neville (3.24 p.m.)—My question is addressed to the Minister for Education, Science and Training. Would the minister inform the House how the government is supporting choice and opportunity for Australian parents and school students? Is the minister aware of any plans to remove the record funding from Australian schools?

Dr Nelson—I thank the member for Hinkler for his question and for taking me to one of the finest schools in the country, Keppock State High School in Bundaberg. This government believes very strongly in quality education and in choice in education. Australians, having paid their taxes to support what should be well-resourced state schools which are funded, run and largely administered by state governments, should be free to choose the kind of school that they think best meets the educational aspirations that they have for their children. This week the Prime Minister and this government will be announcing not only record funding for schools over the next four years but also a determination to drive standards, quality and national consistency right across Australia in school education.

I am asked about alternative policies. It is somewhat difficult to get the full detail of alternative policies but, for example, on 26 March this year at the William Carey Christian School in Sydney, the Deputy Leader of the Opposition was asked about school resourcing. She said, ‘Well, as I was just mentioning, the No. 1 issue is fees.’ She was then asked whether it was just a handful of schools that were going to be affected and have their funding cut under a Labor government, and she said, ‘It’s more than a handful, because once you go into Melbourne as well as Sydney there’s many.’

The following day the Australian Financial Review, in reporting this, said: Mr Latham’s press release specifically mentions Sydney’s The Kings School as overfunded, but his education spokeswoman, Jenny Macklin, has previously singled out a number of schools, and one of those was the Bunbury Cathedral Grammar School in Western Australia.

So the Labor Party is saying to Australians that in government it will reduce the level of assistance to parents on the basis of the fees charged by the school. So the higher the sacrifice made by the parents the less assistance they will receive from a Labor government.

Bunbury Cathedral Grammar School charges $9,200 a year in fees. That means that there are at least 127 non-government
schools in Australia—educating 123,000 Australian children—that will have their funding cut under a Latham Labor government. The Australian Labor Party needs to come clean now and tell us which those schools are. If you do go to Melbourne, Mr Speaker, you might go to the Mount Scopus Memorial College in the electorate of Chisholm. There are 1,300 students there—Australian children. Or you could go to the Mount Scopus Memorial College at St Kilda East, at Gandel Besen House. I would like to see the member for Melbourne Ports turn up there and explain to Jewish families why their kids are worthy of less support for their education under a Labor government. If there is one thing that the Jewish community knows a lot about it is sacrifice and making sacrifices for your kids to get a better education.

As to other policies, we know that when the Leader of the Opposition was Labor’s education spokesman he felt very passionately about his education policy—so much so that when he put it to the then Leader of the Opposition, the member for Brand, it was completely rubbed out. In fact, after the election in October 1998 Alan Ramsey reported:

His voice came burning down the line. His anger even still was intense. Yet Mark Latham regrets nothing, he says, to be treated like dirt.

So what did he feel he was being treated like dirt about? What is there that he felt so passionately about that it made him seethe with anger and go to the back bench for a couple of years? What was it in that policy? Brian Toohey reported it the following month, in November 1998, in an article entitled ‘Homework police’. He said:

Mark Latham wanted parents to lose social security benefits unless they agreed to let retired teachers into their homes to monitor compliance with homework requirements. Can you believe that in this day and age the leader of a major political party would feel so strongly about that? He also said:

Latham wants to start with the long-term unemployed by cutting their benefits if they do not agree to help their kids with homework.

So the homework police are going to knock on your door at four o’clock in the afternoon and find out whether your kids have done their homework and whether their parents are helping them with it. If not, they have to go to a monthly democracy education class. It would be funny if it were not so serious, but this is the kind of Australia that we are likely to see under a Labor government, where some kids are considered to be of so little value that they get less—if any—money for their education and the novice nanny leader is going to come into their homes with the homework police at four o’clock in the afternoon. The Labor Party needs to come clean on its policy and it needs to do so immediately.

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

CONDOLENCES

Bacon, Hon. James (Jim) Alexander

Mr KERR (Denison) (3.30 p.m.)—Mr Speaker, I seek your indulgence to make some very brief remarks in relation to the death of Jim Bacon.

The SPEAKER—Yes, of course I will grant indulgence to the member for Denison. There will be others who will similarly want to participate. I understand, though, from a comment made to me by the Leader of the House that there is likely to be a facility that will allow a motion concerning Mr Bacon to be considered in the Main Committee. I will recognise the member for Denison and I would reassure others that, by agreement across the House, that is the accommodation that has been reached, as I understand it.
Mr KERR—Thank you, Mr Speaker. On indulgence, may I acknowledge the very generous remarks of the Prime Minister and the Leader of the Opposition. I think the public of Australia would be deeply impressed that at these difficult times bipartisanship and some fellow human understanding are so well expressed. I simply put my remarks on the record that Mr Bacon shared the same electorate that I represent—the federal seat of Denison and the state seat of Denison have exactly the same boundaries. On behalf of the many thousands of my constituents and his constituents who will be grieving at his loss, may I simply note, prior to the debate in the Main Committee, my respect at his loss. I also wish to join in the condolences to his family.

The SPEAKER—I think it is an appropriate time for me to call the Leader of the House, the Minister for Health and Ageing, and invite him to submit a resolution that would allow this matter to be moved to the Main Committee.

Mr ABBOTT (Warringah—Leader of the House) (3.31 p.m.)—To enable members the opportunity to make tributes to the former Premier of Tasmania Jim Bacon, I present a copy of yesterday’s media release by the Tasmanian government and I move:

That the House take note of the paper.

Debate (on motion by Ms Gillard) adjourned.

PERSONAL EXPLANATIONS

Ms GILLARD (Lalor) (3.33 p.m.)—Mr Speaker, under standing order 64 I wish to make a personal explanation.

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

Ms GILLARD—Most certainly.

The SPEAKER—Please proceed.

Ms GILLARD—In his speech to CEDA on Friday, 18 June and in the House today the Minister for Health and Ageing stated that I had a secret plan to abolish Medicare, abolish the PBS, introduce a UK style national health service and create a national health reform commission, which would pool all current health spending and redirect it on the basis of bureaucratically perceived need. Mr Speaker, it would be unsurprising to you that each of these claims is wholly untrue. The minister has all the necessary information before him to ascertain that each of these claims is untrue. Indeed, Laurie Oakes explained this to him yesterday. To ensure that there can be no further misrepresentation of my position on these matters, I seek leave to table my speech to the National Press Club of 21 April, entitled ‘Health reform from Tony Abbott—the sounds of silence’ and my opening remarks to the AMA conference in Brisbane on 29 May.

Leave granted.

Mr ABBOTT (Warringah—Minister for Health and Ageing) (3.34 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the Minister for Health and Ageing claim to have been misrepresented?

Mr ABBOTT—Most grievously.

The SPEAKER—Please proceed.

Mr ABBOTT—I certainly have not misrepresented the position of the member for
Lalor. In order to demonstrate this, I table a document where she outlines her plan repeatedly to pool health funding. I call on the member for Lalor and members opposite to stop messing around with Medicare.

Ms Gillard—Mr Speaker, could I say that you have persistently referred to the misuse of personal explanations, and that was a classic.

The SPEAKER—Order! The member for Lalor must resume her seat because there is no facility for me to recognise her.

Mr Rudd (Griffith) (3.35 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr Rudd—Yes.

The SPEAKER—Please proceed.

Mr Rudd—The Minister for Foreign Affairs stated in question time today that I had stated that a decision on the future of C130s had not been taken by the ALP. What I said last Friday was:

There are a bunch of missions in Baghdad at present which currently don’t have their own independent or individual air forces operating within the region.

They seem to get by.

Also, I’m advised that when it comes to civilian air transports, operating into Baghdad international airport at present, that is also under way.

As far as the detailed decision on this is concerned, there will be an appropriate decision at the time by people with on the ground experience.

And the thought of Alexander Downer dressed up as an air vice marshall telling us how to marshall staff in and out of the country is just plain ridiculous.

The SPEAKER—Order! The member for Griffith has indicated where he has been misrepresented and will resume his seat.

PRIVILEGE

Mr King (Wentworth) (3.35 p.m.)—I wish to give notice, pursuant to the standing orders, that in the grievance debate this afternoon I propose to raise a matter concerning privilege. In the circumstances, because the immediate interference in my role as a parliamentarian in this place has been resolved following action taken by the Prime Minister’s office, for which I am grateful, I do not propose to ask for any reference to the committee.

The SPEAKER—The member for Wentworth will resume his seat. He cannot give notice of what he intends to raise in the grievance debate. In fact, we would need to suspend standing orders to allow him to do so. He will, with arrangements with the whips, be recognised in the grievance debate.

Mr McMullan—Mr Speaker, I rise on a point of order. I may not have heard the member for Wentworth correctly, but I understood him to be raising a matter of privilege, in which case he is in order. He did say that he was not seeking it to be referred to the committee, which would be one matter that would be properly referred to you. But, if it is a matter of privilege, I think he is entitled to be heard.

The SPEAKER—Let me reassure the member for Fraser that—although I will check the Hansard record and stand corrected—I did not think the member for Wentworth had made any reference to a matter of privilege, but I will recognise him and hear him out.

Mr King—I will be brief, Mr Speaker. I mentioned the standing orders, and the relevant rule is standing order 95.

The SPEAKER—Can I just interrupt briefly to inquire: had the member for Wentworth made reference to a matter of privilege?
Mr KING—I had.

The SPEAKER—I apologise.

Mr KING—The issue gives rise to a bigger and unresolved issue—namely, what is acceptable interference in a member’s role in this House in the age of electronic communications? I will be recommending that this matter be the subject of inquiry by the Privileges Committee.

PETITIONS

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

Australian Defence Forces: Medals
To the Honourable the Speaker and the Members of the House of Representatives assembled in Parliament;
The Petition of certain citizens of Australia draws to the attention of the House:
That a citizen who serves to defend the country does so with the highest patriotic motives in mind. They know they could be called to serve in war and lay down their life. After that commitment they may leave the service without any tangible recognition being given to them. Unless a member receives a medal for overseas service their first chance of gaining a medal is for long service after 15 years service, if the member serves that long.
The medal sought is not for service in the sense of long service but more for the individual who makes a commitment to serve the Nation.
Your Petitioners pray that the House will institute a medal for two years full-time or part-time service in the Australian Defence Force from 1 January 1946 to the present and future servicemen and women who serve and protect our Nation.
by Mr Anthony (from 200 citizens)
by Mr Forrest (from 10 citizens)
by Mr Hockey (from 20 citizens)
by Ms Ley (from 43 citizens)
by Mr Truss (from 25 citizens)

Education: Funding
To the honourable Speaker and Members of the House of Representatives assembled in Parliament:
The Petition of certain citizens of Australia undersigned draws to the attention of the House:
A well funded Public Education system is vital to the maintenance of a fair and democratic Australian society.
We need our public schools to be well resourced.
This requires the Federal Government to provide a fairer model for funding Australian schools.
Your petitioners therefore ask the House to:
Ensure that the funding policies of the Commonwealth Government are reformed to provide increased and fairer funding for public schools.
by Mr Sawford (from 10 citizens)
by Dr Southcott (from 29 citizens)
by Mr Wakelin (from 40 citizens)

Health: Pneumococcal Vaccine
To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia points out to the House that the Federal Government recently rejected the recommendation of the National Health and Medical Research Council that the pneumococcal vaccine should be made available at no cost to all Australian children as a 3-dose series at 2, 4 and 6 months.
This recommendation was made to prevent young Australian children dying or developing brain damage from pneumococcal disease.
We therefore pray that the House call on the Federal Government to urgently act upon the recommendations of the National Health and Medical Research Council to provide pneumococcal vaccine free to all Australian children.
by Ms Burke (from 12 citizens)
by Mr Byrne (from 15 citizens)
by Ms Corcoran (from 347 citizens)
Health: Pneumococcal Disease
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The undersigned petitioners wish to draw to the attention of the House that the innocent babies of Australia need the vaccine for Pneumococcal Bacteria to protect them from the devastating effects of this virus. These include disablement, vision impairment, hearing impairment, developmental delays and loss of fingers and toes through Septicaemia and or death. The vaccine costs $144.45 per shot and babies need 3 shots to immunise them against this virus.
We therefore pray that the House takes steps to ensure that the Government will change it’s mind and fund this immunisation.
by Dr Emerson (from 300 citizens)

Medicare: Bulk-Billing
To the Honourable Speaker and Members of the House of Representatives Assembled in Parliament:
The petition of the undersigned shows that we reject the Howard Government’s proposed changes to Medicare. Under the changes many more families will not be able to access bulk billing and doctors fees will increase for these visits. Since the election of the Howard Government in 1996 the rate of bulk billing in Victoria has declined by 16%. We therefore request that the House takes urgent steps to restore bulk billing by general practitioners and reject John Howard’s plan to end universal bulk billing.
by Mr Jenkins (from 48 citizens)

Medicare: Bulk-Billing
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House:
• That the rate of bulk billing by GPs has fallen by over 15% in Shortland Electorate since 2000 and is now in serious decline;
• That this year, 7.7 million fewer GP visits were bulk billed than in 1996;
• That the average out-of-pocket cost to see a GP who does not bulk bill has gone up by 51% since 1996.
We therefore pray that the House takes urgent steps to restore bulk billing by general practitioners so that all Australians have access to the health care they need.
by Ms Corcoran (from 13 citizens)
That public hospitals are now under greater pressure because people are finding it harder to see bulk billing doctors.

We therefore pray that the House takes urgent steps to restore bulk billing by general practitioners so that all Australians have access to the health care they need.

by Ms Hall (from 114 citizens)

Medicare: Bulk-Billing

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

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

- That under proposed changes to Medicare, families earning more than $32,300 a year will miss out on bulk billing, and doctors will increase their fees for visits that are no longer bulk billed;
- That the rate of bulk billing by GPs has plummeted by 11% under John Howard;
- That more than 10 million fewer GP visits were bulk billed this year compared to when John Howard came to office;
- That the average out-of-pocket cost to see a GP who does not bulk bill has gone up by 55% since 1996 to $12.78 today;
- That public hospitals are now under greater pressure because people are finding it harder to see bulk billing doctors.

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

by Mr Jenkins (from 78 citizens)

Medicare: Bulk-Billing

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

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

- That the biggest ever drop in GP bulk billing since the introduction of Medicare occurred in the last 12 months;
- That the rate of bulk billing by GPs has been in serious decline and has fallen by almost 10% since 1996;
- That the average cost to see a GP who does not bulk bill has gone up from $8.32 in 1996 to $12.89 today—an increase of 54.9%;
- That unless the rate of bulk billing by GPs is increased, a greater burden will fall on our public hospitals to treat Australians who cannot afford a visit to the doctor.

Your petitioners therefore request the House take steps to ensure that all Australians can access bulk billing.

by Mr Sciacca (from 39 citizens)

Immigration: Asylum Seekers

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

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

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

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

We, therefore, the individual, undersigned attendees at Holy Trinity Anglican Church, Hampton Park, 3976, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Byrne (from 23 citizens)
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:

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

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

We, therefore, the individual, undersigned attendees at the Waverley Gardens Proteus Club Meeting, Mulgrave, Vic 3170, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Griffin (from 13 citizens)

Aged Care

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

The petition of the undersigned shows:

• concerned Australian citizens point out to the House of Representatives:
  
  Due the increasing shortfall between the income available to deliver aged and community services and the rising costs of delivering those services, Australia is facing the imminent collapse of the aged and community care system as we know it.

Your Petitioners therefore ask the House of Representatives to:

• Replace the current system of indexing pricing in the aged and community care sector with a system which reflects the true increases in the costs of running aged and community care services.

• Provide a 10 per cent increase in the prices paid for community care to ensure viability of these important services, which help keep our elderly and disabled in their own homes.

by Mr Organ (from 11 citizens)
by Mr Zahra (from 207 citizens)

Medicare: Bulk-Billing

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

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

The need to keep bulk-billing for the families and communities of Inner West Sydney.

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

by Mr Murphy (from 102 citizens)

Medicare: Bulk-Billing

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

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

The need to keep bulk-billing for the families and communities of the City of Casey.

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

by Mr Byrne (from 2,526 citizens)

Aviation: Airport Noise Levels

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

The petition of staff, students, parents and friends of Fort Street High School in Petersham, NSW draws to the attention of the House the following:

• The relocation of Fort Street High School to the Petersham site in 1915 predates the declaration of Mascot as an operational airport by five years;

• Since that time, and most particularly since the opening of the third runway in 1995, increases in air traffic at the airport have had a significant negative impact on the environment of the school;
• That no specific criteria have been established to determine the eligibility of schools for noise insulation, instead using the residential criteria despite clear deficiencies in the measures as indicators of the impact of aircraft noise on the operations of a school (e.g. weighting the impact of aircraft movements between 7pm and 7am at four times those between 7am and 7pm); and

That, in light of the proposed Sydney Airport Master Plan, there will be an increase of aircraft traffic over the school and will only intensify the already disruptive impact of the current noise levels on the learning environment of the school.

Therefore, your petitioners request the House:
• Urgently reassess the appropriateness of the criteria currently used for assessing the eligibility of schools affected by the expansion of Kingsford Smith Airport for noise insulation;
• Provide immediate noise amelioration for schools, which are clearly at risk, such as Fort Street High School.

by Mr Albanese (from 1,654 citizens)

Education: Languages

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

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

We, the undersigned, believe that language learning is an investment in our children’s future peace and prosperity. In a world in which links among our nations are deeper, more diverse and more immediate than ever before, Australia as a nation cannot afford its current monolingual policy of devaluing Languages Other Than English (LOTE).

We are committed to the ideal of peace and unity in diversity and ensuring continuous, extended, equal access to language learning throughout their education for all Australian students. Without this, our students will be disadvantaged in the global community cognitively, economically, socially and culturally.

Your petitioners therefore request the House to:
Take steps to ensure:
• that we have a national policy on languages and
• that languages are given an appropriate space in the curriculum.

Languages are our passport to the world of tomorrow and vital to our education of dynamic, proactive, inter-culturally competent Australians.

by Mr Bevis (from 50 citizens)

Human Rights: Asylum Seekers

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

The petition of the certain residents of Australia draws to the attention of the House that:

1. According to Amnesty International there have been an escalation in human rights violations in Burma over the past year, perpetuated by the State Peace & Development Corporation (SPDC) military junta.
2. Aung San Suu Kyi has consistently called for economic sanctions to be enacted by the international community to pressure the SPDC for genuine reforms.
3. The United States and the United Kingdom are in the process of imposing strong economic sanctions.
4. Innocent Burmese men, women and children endure forced labour, torture, rape, death; 50,000 have been drafted as child soldiers, 1,500,000 are internally displaced refugees, 1,500 political prisoners languish in prisons.

Your Petitioners request that the House:
1. Encourage Australian companies to withdraw from Burma and ban new Australian investment in Burma
2. Call for the release of Aung San Suu Kyi, who is imprisoned once more.
3. Pressure for the release of all political prisoners, the majority of whom have committed no crime other than fighting for justice and democracy for Burmese people
4. Abandon the failed approach of ‘constructive engagement’ with its profit focus and instead put democracy into practice by imposing tough sanctions on Burma as the US government has commenced to do
5. Instigate a ban on imports from Burma, as the United States is considering, which would drastically reduce the flow of foreign currency into Burma.

6. Support the UN Security Council to impose an arms embargo on Burma, which, despite being one of the poorest countries in the world, has spent over $2 billion in weapons since 1989.

7. Pass Selective Purchasing Laws, such as in the United States, that bar State and Local Governments from awarding contracts for goods, services and construction to companies doing business in Burma.

8. Condemn the widespread use of forced labour in developing infrastructure in the tourism and petroleum industries.

9. Deny study, tourist and work visas to Burmese people as their side of the migration approval process is grossly partial to applicants with close ties to the Burmese regime.

10. Lobby ASEAN member States to put pressure on Burma to put an end to forced labour, child soldiers and instead the establishment of democracy.

by **Mr Bevis** (from 1,673 citizens)

**Health: Hospital Funding**

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

This petition of the citizens of the State of New South Wales draws to the attention of the House that funding and control of public hospitals be transferred from the State to the Federal Government.

Your Petitioners therefore request the House will recognise the support of this proposal for the Federal Government to take funding responsibility for public hospitals.

by **Mr John Cobb** (from 23 citizens)

**Medicare: Bulk-Billing**

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

The petition of the undersigned rejects the Howard Government’s proposed changes to Medicare. We request the House takes urgent steps to restore bulk billing and rejects John Howard’s plan to end universal bulk billing.

by **Ms Corcoran** (from 1 citizen)

**Health: Pharmaceutical Benefits Scheme**

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

The petition of certain citizens of Australia draws to the attention of the House that the lung cancer treatment drug, IRESSA, is not listed on the Pharmaceutical Benefits Scheme (PBS).

This drug provides relief from symptoms of the disease but at a cost of $5,000 a month it is beyond the resource of many with this condition.

We therefore pray that the House subsidises the cost of IRESSA through the PBS so that it is available to all lung cancer patients.

by **Mrs Crosio** (from 161 citizens)

**Human Rights: Treatment of Prisoners**

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

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

- That political prisoners in Lebanon who stand for democracy, have wrongly been convicted and sentenced to indefinite periods of solitary imprisonment in barbarous conditions.

- Amnesty International has monitored this situation and has strongly campaigned for the release of all political prisoners and have also criticised the occurrence of torture and incarceration as a result of Syrian occupation in Lebanon.

- With Syria’s intervention and menacing presence there is the absence of self-government and ability to engage in democratic discussions that existed freely prior the civil war.

- Lebanon is a government that has no independent thinking but is only a puppet of Syrian dictatorship.
We therefore pray that the House joins the Australian Lebanese and Amnesty International in taking urgent steps in opposing the imprisonment of political prisoners and to oppose the involvement of the Syrian regime in Lebanon so that all Lebanese can enjoy democratic freedom.

by Mr Martin Ferguson (from 84 citizens)

Howard Government: Antiviolence Campaign

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

This petition of certain citizens of Australia, condemns the Howard Government for refusing to run the anti-violence campaign, “No Respect, No Relationship” that was designed to educate young people that violence in relationships is wrong and must be stopped.

Your petitioners ask the House to ensure that the Government releases the campaign material that was developed over the last 2 years, at a cost of millions of dollars to taxpayers so that it can be used by others in the community to send a strong message to young people.

Public money paid for the development and production of this campaign and we urge the House to demand its release for public use.

by Ms Hall (from 8 citizens)

Middle East: Israeli-Palestinian Conflict

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

The petition of certain citizens of Australia points out to the House the Israeli government’s construction of the so-called security wall inside the West Bank. Your petitioners state that:

1. the wall separates tens of thousands of Palestinians from their families, neighbours, employment, schools, hospital, water resources and land;
2. the wall continues Israel’s illegal annexation of Palestinian land;
3. the real purpose of the wall is to force Palestinians from their homes and land by making their lives unbearable and to prevent the establishment of a viable and independent Palestinian state in the West Bank and Gaza Strip.

Your petitioners therefore ask the House to call upon the government of Israel to immediately cease construction of the wall and to negotiate a just peace with the Palestinians.

by Mrs Irwin (from 226 citizens)

Health: Cancer Treatments

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

The petition of certain citizens of Australia points out to the House that:

1. 1,400 Australians every year are diagnosed with a primary brain tumour, many of which are of the most lethal type called glioblastoma multiforme grade iv;
2. At a major oncology conference held in June in the USA scientists reported the results of a Phase III trial of 573 patients with this particular tumour in 85 centres throughout Europe, Canada and Australia, which showed remarkable improvements in the two-year survival of patients and better median survival and progression-free survival.
3. The trial involved concomitant use of radiation therapy and the chemotherapy drug temozolomide (Temodar), and continuing use of the drug afterwards, resulting in an increase in the number of patients still alive at two years from 10% to 27%.

Your petitioners therefore pray that the House ask the Health Minister and Government to take urgent and compassionate action to ensure that this new therapy is made available immediately as a subsidised benefit for all newly diagnosed brain tumour patients who have this particular type of tumour.

by Ms Ley (from 43 citizens)

Health: MRI Machines

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

The petition of certain residents of the State of New South Wales draws to the attention of the
House the refusal by the Federal Government to license a Magnetic Resonance Imaging (MRI) facility at the Concord Repatriation and General Hospital denies equitable access to vital health services for cancer, heart, orthopaedic, burns and MS patients.

Despite a commitment by the NSW Government to purchase a MRI machine, Concord Hospital remains the only teaching hospital in Sydney not approved to provide MRI diagnostic services via the Medicare system.

This means Concord’s frailest patients are unable to locally access vital diagnostic services.

Your petitioners request the House to protect the public’s interest and provide equitable access to the Medicare system for inner western Sydney residents by licensing MRI diagnostic services at the Concord Repatriation and General Hospital.

by Mr Murphy (from 482 citizens)

Family Services: Child Care

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

This petition of citizens of Australia draws the attention of the House to the decision not to provide In-Service Provider training funds to Queensland childcare services. Our opposition to this decision is based on the following:

- The Government has singled out Queensland from any other state cutting by $500,000 in childcare in-service training funds;
- Childcare workers across Queensland will not have the same access to in-service training as in other states;
- This decision is also of concern to children and families across the State who are using child care services;
- The Government should not be able to axe funding to a program that is currently under review.

Your petitioners therefore request that the House turn its urgent attention to:

1. Seek an urgent review of this decision.
2. To reinstate in-service training funds to Queensland childcare services.

by Mr Sciacca (from 6 citizens)

Environment: Sea Cage Fish Farms

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

The petition of certain citizens of Australia draws to the attention of the House the impact of sea cage fish farms in Moreton Bay.

- Sea cage fish farms will significantly increase level of nutrients into the bay derived from excess feed, faeces, dead fish, operational pollution and cage cleaning;
- Increase the risk of algal blooms;
- Contribute to lowering dissolved oxygen in the water which leads to the death of marine life;
- Place at risk the wild populations of fish, bird and fauna species through introduced diseases, genetically modified breeding stock and pollution plumes;
- Require the use of tetracyclin and formalin as medication in the feed and anti-fouling agents to clean cages, the long-term environmental effects of which are not known;
- Create a blight on the visual amenity of Moreton Bay significantly affecting the tourist potential of Moreton Bay;
- Compromise the millions of dollars that has been invested to date to remove nitrogen from Moreton Bay to protect the fragile ecosystem.

Your petitioners therefore request the House to immediately enact legislation that will prevent the establishment of sea cage fish farms in Moreton Bay.

by Mr Sciacca (from 63 citizens)
Health and Ageing: Aged Care

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

The petition of certain residents of the State of Queensland draws to the attention of the House:

• the growing community demand for quality aged care services and staff;
• the inadequacy of one-off payments to solve long-term capital raising shortfalls;
• the absence of long-term measures to assist the aged care industry in the Budget; and
• that the aged care Budget announcement amounts to increased funding of only $1.37 per resident per day, despite the aged care industry’s recommendation that $10 per bed per day is needed to restore the viability of the industry.

Your petitioners therefore pray that the House take urgent steps to ensure the quality of aged and community care services are preserved.

by Mr Sciacca (from 8 citizens)

Health and Ageing: Funding

The House of Representatives,
Federal Parliament of Australia,
Parliament House,
Canberra. ACT. 2600.

Dear Parliamentary Representatives,

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

by Mr Zahra (from 42 citizens)

Petitions received.
to defend Australia and its direct approaches, together with a greater focus on, and acquisitions of, capabilities to operate in the region and globally in defence of our non-territorial interests.

The committee has recommended that the government develop a new defence white paper for issue during 2005-06. The new white paper should take into account the findings of the committee and, in particular, the need for more flexible joint forces capable of littoral manoeuvre. In addition, a new defence white paper should be developed every four years through a rolling four-year program. This will ensure that Australia’s defence strategy will remain current and can meet developments in the global strategic environment. The proposed new white paper should ensure that the Australian Defence Force can implement the key features of a modern maritime strategy, including sea denial, sea control and power projection ashore for the purpose of peace keeping and regional assistance missions.

In addition to the key recommendations detailed above, the committee recommended that the Department of Defence should review the number of air-to-air refuelling—AAR—aircraft that it will need to mount effective operations. The committee is of the view that Defence may require more AARs than has currently been planned. The Department of Defence should continue to examine air combat capabilities in the region and the cost of ongoing upgrades to the FA18A versus its fatigue and ageing. If the F35 will not be available by 2012, the government should give cost details of prolonging the lifespan of the FA18A and provide details on the range of options to maintain air superiority in the region. The government’s decision to purchase three air warfare destroyers for delivery by about 2013 is supported. The Department of Defence, however, should explain how adequate air protection will be provided to land and naval forces before the air warfare destroyers are delivered. If in 2006 the government confirms that it will purchase the joint strike fighter, the F35, it should consider purchasing some short take-off and vertical landing versions of the F35 for the provision of organic air cover as part of regional operations.

As my time is short, I want to thank members of the committee for their support and work through this process. We have come to a unanimous decision, and I would like to acknowledge the contributions of our chairman, Senator Alan Ferguson, and of the member for Chifley and the member for Brisbane. In conclusion, on behalf of the committee, I would like to thank the range of groups and individuals who contributed to this inquiry. I commend the report to the House.

Mr PRICE (Chifley) (3.47 p.m.)—In rising to speak on the Australia’s maritime strategy report, I will try not to traverse the chairman’s comments too much. I would like to acknowledge his role, which was particularly generous in this inquiry, as the committee strove, as he said, to bring down a unanimous report. Recommendation 2 proposes a new defence white paper which should take into account things like Australia’s strategic objectives, the defence of Australia and its direct approaches, together with a greater focus on, and acquisition of, capabilities to operate in the region and globally in defence of our non-territorial interests; a clear articulation of why Australia’s security is interrelated with regional and global security; the continuation of a commitment to self-reliance in those situations where Australia has least discretion to act, focusing on measures that will enhance interoperability with Australian allies such as the US; and developing and implementing a maritime strategy which includes the element of sea
denial, sea control and power projection ashore.

Recommendation 3 seeks a statement on an Army sustainability model. One of the most important announcements in the Defence White Paper 2000 was that Australia should be able to maintain a brigade level and a concurrent battalion operation and sustain it in the long term. Clearly that cannot be done. The sustainment model, I accept, is not complete, but this is an area that the subcommittee has pursued relentlessly. I still believe there are many questions to be answered.

Recommendation 4 seeks to have a ministerial statement outlining Army Reserve policy, focusing on the reserves, training, effectiveness, equipment, capability, readiness, transition to new functions, blending with regular units and detailed costs. An area of ongoing concern for the subcommittee is the purchase of the F35—not the purchase itself but rather any capability gap and the use of the FA18. In particular, we are calling for ongoing assessment and costs of the FA18 versus fatigue and ageing. Indeed, in relation to the annual report, we are proposing to have a further public meeting on this very issue, because the defence subcommittee are not satisfied to date with the answers that have been provided. The recommendation looks at the decision to retire the F111. Again, the subcommittee believe that that is an important option, should there be a gap in the provision of the F35. The Air Force has already indicated it expects to have that capability in service by 2014, so there is a two-year gap. We should maintain the option of looking at the F111 just in case.

I urge honourable members to read this report. Its genesis comes from our experience in East Timor, where our serving men and women performed admirably, but clearly there were shortcomings. If we are to give meaning and reality to being able to deploy a brigade level and a concurrent battalion and sustain them in the longer term, maritime strategy will be very important. In the end, maritime strategy is not just about Navy, it is not just about Air Force and it is not just about Army; it is the way the three services interact with what Professor Dibb has described as ‘the arc of instability’.

The DEPUTY SPEAKER (Mr Jenkins)—The time allotted for statements on this report has expired. Does the member for Maranoa wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BRUCE SCOTT (Maranoa) (3.51 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

Communications, Information Technology and the Arts Committee

Report

Mr BALDWIN (Paterson) (3.52 p.m.)—On behalf of the Standing Committee on Communications, Information Technology and the Arts, I present the committee’s report entitled From reel to unreal: future opportunities for Australia’s film, animation, special effects and electronic games industries, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr BALDWIN—In presenting the report, I would like to cover three of the report’s main themes—namely, the need for Austra-
lian films to generate more audience appeal, the benefits of developing and exploiting intellectual property rather than relying on fee-for-service work and some of these industries’ future opportunities. I will address these issues in turn.

One of the key themes during the inquiry was whether these industries should be pursuing cultural or business goals. Generally, the newer industries were more likely to have a business focus. Examples include digital production, electronic games and the Queensland film industry. Apart from the economic benefits of a business focus, the committee recognised that, the more people who view a film, the greater will be its cultural benefits both within and outside Australia. It may seem unusual to some, but a pro-business approach will have a cultural benefit.

Unfortunately, despite our nineties blockbusters such as Strictly Ballroom, Shine and Babe, Australian cinema recently has not captured the public’s imagination. In 2003 there were no Australian films in the box office top 20. The committee therefore decided that there needs to be a greater focus in the film industry on audience appeal. One recommendation in the report is to improve script development. The committee would also like to make the film agencies more accountable for the audience figures on projects to which they have given assistance.

Another theme of the report is that Australian firms can do more to exploit intellectual property. The No. 1 export in the US at the moment is copyright. Their film industry readily produces films in low-cost countries like Australia and Canada but retains the benefits of the intellectual property. Film production may be exciting and may grab headlines, but the profits lie in distribution. Our games industry, on the other hand, does great work in designing original games, but it often sells its intellectual property to international publishers in return for development funding. The end result is that the lion’s share of the returns on the intellectual property stays with the publisher. To address this problem, the committee’s recommendations to the government include implementing an intellectual property strategy and extending the film industry’s tax breaks to the game industry.

The report identifies a number of key opportunities. For example, in film, witnesses advised the committee that coproductions are the source of the greatest growth. The committee has recommended that the Australian Film Commission negotiate more coproduction treaties with other nations. Cross-platform content is another promising area. For example, films can be spun off into games to make greater use of the same intellectual property. The committee has recommended that the film agencies incorporate cross-platform content into their funding criteria. Further, the government should promote meetings between the film and games industries to promote these spin-offs.

Finally, more and more production in these industries will be digitally based. This will accelerate the convergence of these industries, as any one image or piece of sound will be easily used in different platforms. The committee has recommended the establishment of a digital media incubator to harness these opportunities. The Australian government has already demonstrated its support for these industries. The 2004 budget included an announcement that the 12.5 per cent refundable tax offset for film production will be extended to high budget television series. I am hopeful that the Australian government will continue this trend and implement the committee’s 42 recommendations.

I would like to thank the many individuals and organisations that helped make this in-
quiry a success, especially the people who gave their time to make submissions, attend hearings or host the committee on a visit of inspection. I would also like to thank the members of the committee and the previous chair, the Hon. Christopher Pyne MP, the member for Sturt and Parliamentary Secretary to the Minister for Family and Community Services, for their advice, comments and counsel during the inquiry. In particular, I would also like to thank the member for Blaxland, Mr Hatton, for his contributions. The inquiry was conducted and concluded with input from all members that was constructive, committed and in a spirit of good will. I commend the report to the House.

Mr HATTON (Blaxland) (3.57 p.m.)—I would like to congratulate the incoming chair and also the former chair, the member for Sturt, on the work that has been done at chair level on this report entitled From reel to unreal: future opportunities for Australia’s film, animation, special effects and electronic games industries. I also commend members of the Standing Committee on Communications, Information Technology and the Arts who diligently set themselves to the task of hearings across Australia in an area that is of fundamental importance to the new and emergent industries of the 21st century in Australia. I also thank the secretary of the committee, Catherine Cornish; the two inquiry secretaries, Andrew Brien and then David Monk, who so ably took over where Andrew Brien left off; and our administrative officer, Suzy Domitrovic, for providing continuing support throughout the inquiry.

This committee was privileged to look at areas of past success where we have built a platform for future prosperity in the Australian film industry. On top of that, we have looked at the animation and special effects area and taken evidence from a variety of people who are, as the chair quite rightly said, a part of convergent industries—that is, they are people with a similar range of skills, particularly given the fact that animatronics, pure animation and special effects are becoming much more central and significant parts of Australia’s film industry.

The committee was also able to look at the games industry. In fact, that was at the urging of the now chair of the committee, Mr Bob Baldwin. It was a particularly good area to look at because it is a wonderful example of how you can compare a mature industry, such as Australia’s film industry, and an emergent industry, such as the Australian games industry. If you look at the amount of income coming into Australia, the games industry has already done extraordinarily well in bringing in tens of millions of dollars into Australia. Very little of its product is in fact sold in this country. Only 20 million people can sign up to buy these games. Most of this product is sold directly into overseas markets and most of the work is done for companies in the United States. This is a modern industry and one dependent upon selling its intellectual property, skills and work to the broad world market. So it really is a new global industry.

A fundamental question we had to ask, while not looking directly at the situation with the tax underpinnings in the industry, was how the games industry, in particular, might be assisted to develop in the future. It became quite clear in evidence that, if the games industry were put on the same footing as the film industry in regard to tax treatment, we could have not just a successful but a compellingly successful and expanded industry able to earn much more for Australia—and all those Australians domiciled here in the industry—that it can now. The amount of investment that would be able to be put into the industry would answer a critical and fundamental problem as indicated in all the evidence—the fact that you need money up-front to put these games together and that
getting it is very difficult. In the venture capital area, there is not all that much around, as we know. Even though there are extraordinary successes in this area, solving this fundamental problem of capturing up-front money to put $6 million or $10 million into a project is a very big task. The committee is strongly of the view that the government needs to be urged to look extremely closely at the tax treatment in this area.

We believe that the mature development and success of the film industry and its related industries—the special effects and animation industries—could be allied and expanded by what we can do in the gaming area. Together, the four elements we have looked at could be strengthened so that these industries could be even more crucial to Australia in the future. I commend the work done by the chairs, committee members, the secretariat and all the people who took the time and trouble to give us extremely well-reasoned arguments and excellent explanations of just how their various industries work. It indicates in particular that a casualised work force can still produce extraordinary results. (Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—The time allotted for statements on this report has expired. Does the member for Paterson wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BALDWIN (Paterson) (4.02 p.m.)—I move:

That the House take note of the report.
I seek leave to continue my remarks later.
Leave granted; debate adjourned.

The DEPUTY SPEAKER (Mr Jenkins)—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed.

Communications, Information Technology and the Arts Committee
Report

Mr BALDWIN (Paterson) (4.02 p.m.)—On behalf of the Standing Committee on Communications, Information Technology and the Arts, I present the committee’s report entitled Review of the Special Broadcasting Service annual report 2002-2003, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr BALDWIN—This short report is a result of the committee’s decision to review the annual report of the Special Broadcasting Service that was tabled in this House in November 2003. SBS is one of Australia’s two public broadcasters and it has a long history and good reputation as a multicultural and multilingual broadcaster. SBS operates under a charter in section 6 of the Special Broadcasting Service Act 1991. This provides that SBS’s principal function is to ‘provide multilingual and multicultural radio and television services that inform, educate and entertain all Australians and, in doing so, reflect Australia’s multicultural society’. The act requires that in performing its principal function, SBS must among other things ‘promote understanding and acceptance of the cultural, linguistic and ethnic diversity of the Australian people’.

The annual report notes the history and functions of the SBS. SBS Radio began in 1975 with two radio stations. Now the programs are broadcast 24 hours a day, 7 days a week and are heard around Australia. SBS Television began in 1980. It now broadcasts programs in more than 60 languages and is watched by about 58 per cent of Australian households each week. Programs are drawn from a large number of national and interna-
tional sources. SBS also has a substantial online service. These services combine to give SBS the capacity to fulfil its principal function under the charter. SBS has a strong reputation and the annual report refers to a range of its achievements. The annual report also states:

This year, SBS conducted the most extensive community consultations in its history. However, the committee was aware of serious concerns that were raised publicly by the Vietnamese community over SBS’s broadcasts of the program *Thoi Su* on the *World Watch* news. The program, which was produced by the state-owned Vietnamese broadcaster, ran on SBS from early October 2003 to 6 December 2003. The demonstrations carried out by the Vietnamese community showed the offence that had been caused to many of them by the broadcast of what they regarded as state promoted propaganda. This suggested that there had not been proper community consultation. It also raises the question of whether SBS was promoting understanding and acceptance of cultural and ethnic diversity.

The annual report states that SBS’s news services were watched by an audience of more than 8.4 million people in 2002, and its international and national current affairs audiences had increased. In this regard an issue was raised by the Australia/Israel and Jewish Affairs Council—AIJAC—in November 2003. AIJAC released analysis of SBS TV’s news and current affairs coverage of the Middle East. It said that SBS:

exhibits an entrenched and strongly pronounced bias against Israel in its news, reportage and selection of documentary material …

AIJAC saw a ‘lack of responsiveness, indeed negativity … to reasoned and documented complaints’. AIJAC also called for SBS to change its complaints procedures.

In February this year the committee held a public hearing at which senior representatives of the SBS were questioned about these and other matters that arose from the annual report. At the public meeting, SBS repeated its apology to the Vietnamese community and acknowledged the hurt that had been caused and the inadequacy of its consultation process on this occasion. When it was asked about achieving a balanced perspective, SBS responded that, over time, it aimed to run a broad range of opinions and, preferably, documentaries would be self-balancing. SBS told the committee that it was reviewing its complaint-handling procedures and was focused on improving their transparency and independence. The committee was reassured to some extent by SBS’s acknowledgment of these issues and the action it was taking to learn from them.

In closing, I wish to thank those who contributed to the inquiry—including my deputy chair, the member for Blaxland—and all of my colleagues for their input. As usual, committee members worked together to ensure that there was a balanced consideration of the issues before us. I commend this report to the House.

Mr HATTON (Blaxland) (4.08 p.m.)—I concur absolutely with all that the member for Paterson has said about this particular report, the *Review of the Special Broadcasting Service Annual Report 2002-2003*. I also wish to thank the Standing Committee on Communications, Information Technology and the Arts for being willing to undertake the annual review of SBS’s operation within a particular framework. Part of that framework was the question of the issue between SBS TV and the Vietnamese community in Australia in regard to SBS TV’s decision to broadcast *Thoi Su*, the VTV4 program from the Vietnamese government, into every home in Australia that had SBS TV.
Some people were particularly reluctant to make any criticism at all of SBS or SBS putting this program in place and some said, ‘SBS has a number of these World Watch programs and they provide news from communist China and other countries with different forms of government and so why should there be anything different about the VTV4 program Thoi Su?’ For those people—these are not people on the committee but people within the broader parliament and the broader community—the key question here was one of censorship. The question was: should a community be able to effectively censor SBS and tell SBS that it did not want a particular program put to air?

As I indicated to other committee members and during the public hearing, about 10 per cent of the people in my electorate come from a Vietnamese background. For all of those people, whether they were born in Australia or overseas, this was not a question of censorship: it was a question about their very identity. It was about taking into account how those people had suffered during the war in Vietnam—either during the war when the French were involved, effectively from 1946 to 1954, or the ensuing Vietnam War where the Americans were involved. Those wars between the communists and the government of South Vietnam cleft society in two.

For the people who went through those wars—those who lost relatives, parents, children and brothers and sisters, who were imprisoned, who spent time in concentration camps, who spent almost a decade in prison, who had to escape by boat and come to Australia in a wave of refugees after the fall of South Vietnam—it was not a question of censorship. For them, it was about their very life experience and whether or not they would be able to continue to communicate that to their children and grandchildren or whether the communist government would be able to interpose between them and their children—as they saw it, to pour poison into their ears.

After the event, SBS have done the consultation they should have done prior to putting this program to air. If they had done proper consultation they would have come to understand that the depth of feeling and hurt in the Vietnamese community in Australia is great, lasting and fundamental—this community is still being targeted by the communist government of Vietnam. They would have understood that for 200,000 Australians it is going too far to not properly consult with them and find out whether they think this is an appropriate kind of program.

In large part because other committee members were willing to undertake this hearing and call SBS before the committee and effectively bring it to book, as a result of that public hearing and public exposure SBS have changed the way they have approached this, for which I congratulate them. They are now adopting a stance which is far more open to understanding the situation of the Vietnamese community in Australia and, I would hope, any other community in a similar situation that needs to be looked at, particularly where they have come from such a tortured past in their own country. That needs to be taken into account when we are dealing with public policy.

So to all those people in the Vietnamese community in Australia who protested Australia-wide and brought their evidence before the committee in written form, I say that the justification for all the work that you did in the interests of your community and your children is demonstrated in this report. I congratulate the community and the committee. (Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—The time allotted for statements on this report has expired. Does the member for
Paterson wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BALDWIN (Paterson) (4.13 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed.

Aboriginal and Torres Strait Islander Affairs Committee

Report

Mr WAKELIN (Grey) (4.13 p.m.)—On behalf of the Standing Committee on Aboriginal and Torres Strait Islander Affairs, I present the committee’s report, entitled Many ways forward: report of the inquiry into capacity building and service delivery in Indigenous communities, incorporating some dissenting remarks, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Mr WAKELIN—There are many influences which impact on Indigenous Australians. A number of factors, including geographic dispersal and remoteness, specialist needs, and jurisdictional blurring and cost-shifting complicate policy options for the delivery of services to Indigenous Australians. The many people who generously gave their time to the committee gave many comprehensive practical suggestions. We appreciate that.

The committee’s terms of reference involved exploring strategies to build capacity in three areas in order to improve service delivery. The three areas were: government, Indigenous organisations and Indigenous individuals, families and community members. The three elements of the terms of reference produced many overarching themes for the chapters of the report. Two prominent themes for government were integration and strategic partnerships. The theme for Indigenous organisations was governance, with local solutions. The theme for Indigenous individuals was of course empowerment through key issues like education, employment and a reduction of welfare reliance with the acceptance of individual responsibility.

There were two key strands in the evidence—firstly, that many Indigenous people understand the issues, want to take responsibility and control, and want to work in collaboration and partnership with government to enhance service delivery and improve their quality of life; and secondly, that governments need to change the way they do business, both with Indigenous Australians and within and between the governments. The main arguments surrounding building the capacity of Indigenous community organisations in order to improve service delivery involved governance and the need for stronger corporate management. The main arguments surrounding government changing the way it does business involved integration within and between governments, together with engagement in genuine partnerships with Indigenous communities and groups.

The report makes a number of recommendations to the Commonwealth government intended to improve the delivery of services to Indigenous Australians. These include: better coordination and implementation, remembering that the states and territories are key agencies in the provision of education, justice and health and that this integration and coordination between the levels of government is absolutely essential; measures to build the capacity of government agency staff; pooled funding to Indigenous organisa-
tions, where appropriate; and mentoring and skill exchange to Indigenous communities, which is very, very important.

There was a strong realisation and growing awareness that government must take responsibility for those things it is best placed to do and communities must take responsibility for those things only they themselves can do. Communities cannot be expected to solve their problems on their own, while governments are not capable of improving life for Aboriginal and Torres Strait Islander people without the commitment of those people. Finally, my great thanks are due to the members of the committee—particularly the member for Charlton, who has been an absolute stalwart—and the many witnesses who contributed their time and their experience to help the committee in its work.

Ms HOARE (Charlton) (4.18 p.m.)—I rise to support the recommendations and the report of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs entitled Many ways forward: report of the inquiry into capacity building and service delivery in Indigenous communities. At the outset, I thank the members of the committee—particularly the member for Charlton, who has been an absolute stalwart—and the many witnesses who contributed their time and their experience to help the committee in its work.

We all know that the area of Aboriginal and Torres Strait Islander affairs in this country is a difficult one in terms of public policy. It is one governments have tried to grapple with over the years, both across the various flavours of government and across state, territory and local government. There have been many recommendations and reports and many deliberations about these issues. We have indicated in the report the number of inquiries and reports that went on before ours. But I believe that some very positive initiatives have come from what we have been able to achieve over the past 12 months, and positive and substantial recommendations have been made to the government. There were 15 recommendations in all.

Over 80 written submissions were received by the committee. Evidence was taken from over 200 organisations, which included in total over 400 witnesses. Places at which we took evidence included Thursday Island, Coconut Island, Moa Island in the Torres Strait, Maningrida, Wadeye, Alice Springs, Darwin, Shepparton, Warrnambool, Melbourne, Adelaiide, Yamuloong in Newcastle, Redfern, Burke, Dubbo, Cairns, Palm Island, Brisbane, Perth, Port Hedland, Lombadina, Broome and also Parliament House.
in Canberra. We also received over 215 exhibits. That goes to show the enormous amount of interest and commitment shown by those people who came to speak with the committee, to share their ideas, their good practice and some areas where they saw that the Commonwealth would be able to be more proactive. As deputy chair of the committee, I thank all of those people who came before us for their time and effort.

In conclusion, I want to go to a couple of the recommendations. Recommendation 4 goes to outcomes reporting by the Commonwealth. It is an area where we do have the benchmarks in place. We can monitor the progress of Commonwealth public policy in the area of delivery of services. I would particularly recommend that the government accept recommendation 14, which relates to domestic violence and the reporting of domestic violence, and recommendation 15, which proposes that we have a future inquiry into strategies to address alcohol and substance misuse in Indigenous communities.

(Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—Does the member for Grey wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr WAKELIN (Grey) (4.23 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

Foreign Affairs, Defence and Trade Committee

Report

Mr BAIRD (Cook) (4.23 p.m.)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee’s report entitled Parliamentary delegation to the Gulf States: Report, June 2004.

Ordered that the report be printed.

Mr BAIRD—In bringing forward this report today, the committee would like to extend warm thanks to all the officials of the Australian government who assisted the delegation with the visit. We would also like to acknowledge and thank the officials and businesspeople in the countries visited for their hospitality and input. It proved very valuable. The committee would like to acknowledge the work of the Parliamentary Relations Office and the secretariat. We thank them for their assistance with the visit and their contribution and support, particularly the excellent work of the secretary of the committee, Pierre Huettet. I would also like to thank the members of the committee for their dedication and commitment to the objectives of this mission.

The Trade Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade decided in 2003 to inquire into Australia’s trade and investment relations with the Gulf States, prompting this visit in April 2004. Several events in recent years drew the parliament’s attention to the region. Though traditionally a strong primary produce export destination, Australia’s exports of elaborately transformed manufactures, including cars, to the Gulf grew dramatically in the 1990s. This shift created renewed interest in the region.

The delegation visited Dubai, Abu Dhabi, Tehran, Kuwait, Riyadh and Doha. Our strong impression from the visit was that the
gulf is a region on the fast track to growth and development. The region’s role within the world economy as global oil supplier, in combination with its demographics, has placed the Gulf States in a unique position. The committee believes oil wealth and young populations are the twin drivers of Gulf States development. To address the youth demographic, gulf governments have committed to rapid economic development to provide jobs for the young and therefore provide stability and prosperity in the long run. Unlike many other developing countries, however, the Gulf States also have the financial means to fully fund such rapid development.

The delegation gained several impressions of the region during the visit. One key impression was the window of opportunity currently open to Australia. The region has traditionally relied heavily on imports from the US, the UK and Europe. For numerous reasons, the Gulf States have decided to diversify the sources of their imports and broaden their economic bases. This has created a window of opportunity for Australia which is likely to remain open only for the next few years.

The region is also getting closer. Emirates, Qatar Airways and Gulf Air have in place or have planned direct flights from Australian destinations to the region. Sydney is now only a 13-hour flight away from Dubai, and Perth is only 10½ hours away. This has opened up opportunities in fresh produce exports and will undoubtedly open up more opportunities in agriculture, tourism and a range of other industries. The committee found several areas or sectors to be particularly promising for Australia. These include building and construction, engineering and consulting, health care and pharmaceutical services, education and training, tourism training, consumables, agriculture—including food and beverages—ICT products and services, and financial services.

The United Arab Emirates impresses with its spectacular growth, development, vision and ease of access. Dubai is an ideal entry point into the region, since it has successfully developed itself as the regional services hub, modelled on Singapore. Iran has the potential to be a major market if it manages its economic reform process well. Although there are challenges in entering the market in Iran, there is also a requirement for long-term commitment by exporters and investors. The committee feels that Iran in time will offer significant opportunities for Australia. Saudi Arabia is the biggest economy in the region and therefore provides a range of ready opportunities in the sectors discussed in this report. Kuwait and Qatar are smaller resource-rich countries with similar growing development and consumer needs.

Bearing in mind that this report is primarily focused on observations made during the course of the visit, the committee has made a limited number of recommendations. The recommendations are based largely on the visit and are intended to be complementary to the final inquiry report due out later this year. The report makes seven recommendations. The first two pertain to Iran. The committee believes Australia should complete an investment protection agreement with Iran as soon as possible and that we should also strengthen our links in terms of agricultural training and technological exchange. The committee recognised that some of the visa processing was slow. It looked at the opportunities in the defence sector. It also looked at responding to the current window of opportunity identified by the committee in that region and at lifting Australia’s profile.

Recommendation 6 suggests the government consider strengthening two agencies which may benefit from the opportunities
that arise from the wealth—the ATC and Invest Australia. Finally, recommendation 7 supports strongly the government’s efforts to strengthen the live animal trade with gulf nations. In conclusion, the committee believes there is no time like the present to be pursuing export and investment opportunities in the region. The window of opportunity is open and Australia is well placed to build on its successes in the region and make the most of new opportunities.

Mr JULL (Fadden) (4.29 p.m.)—I would like to associate myself with the report from the Joint Standing Committee on Foreign Affairs, Defence and Trade on the parliamentary delegation to the Gulf States. I take this opportunity to thank and extend my congratulations to the member for Cook, the leader of the delegation, for the manner in which he led this group and for leading us in all that we achieved in this most fascinating part of the world. He made reference to the fact that this report is purely on the delegation’s visit and that a full report will be coming up later in the year.

I think this is one of the most important examinations that the Trade Subcommittee has made and that the long-term ramifications for Australia and Australian industry are great indeed. The member for Cook made mention of the penetration of the market for things like fresh fruit and vegetables, and seafood. Most importantly, he mentioned what the Australian motor vehicle industry has achieved in the region. When you look at the figures, you see that this is particularly impressive. I doubt whether five or 10 years ago many Australians would have thought that their own designed and built cars would be making such an impression in an area like this. Last year, I think General Motors Holden sent 80,000 Holden Statesmans into the region. Sure, they are badged as Chevrolets, but they are Australian-built Holden Statesmans. Toyota also sent 100,000 Camrys into the region. Virtually every taxicab in the area is an Australian built car.

By virtue of these initiatives that we have already had, Australia has managed to establish itself as a quality supplier. I think we can thank Tim Fischer, the former Deputy Prime Minister and Minister for Trade, for some of the work he did because, with the collapse of the Asian economies, he looked towards the gulf as a potential market for fresh fruit and vegetables to make sure we got our horticulture into export markets. What has happened now is that Australian produce is being featured as top-of-the-range material, and the food that is being supplied at the five-, six- and seven-star hotels in the area is principally Australian. It is promoted as being a quality product. That image can be conveyed into a number of other areas.

The chairman of the committee made brief reference to Qatar and the fact that there are opportunities there. Qatar is a fascinating place. It has a local population of about 160,000, with 800,000 guest workers. They have a lazy current account surplus at the moment, so they have decided to spend $6 billion on infrastructure. The $6 billion that they are going to spend will build a new airport. The airport we flew into had one of the longest airstrips I have ever seen in my life and there was certainly a sense of luxury about the terminals but, no, there is going to be a new airport and it was suggested to us that Australian companies would be more than welcome to tender for some of the work there. Then out of the blue we were told there was an instant requirement for 33,000 new homes and they were wondering what Australian companies might be able to contribute in terms of prefabricated housing. I would have thought that Australian companies would be salivating at the prospect of supplying 33,000 homes.
I think the Australian government representatives have done a tremendous job overall. In fact, we have some of the state governments going there too. I noticed the other day that the Queensland government, for example, has established a trade office in Qatar. So it is recognised that the Gulf States exist beyond Dubai and the United Arab Emirates. If you look at what the potential is for places like Qatar or Muscat and if you look at what is happening in Kuwait and the tremendous expansion that is going to happen there, you will see that the opportunities are almost limitless if Australian companies are prepared to go and make their goods and themselves known and are prepared to concentrate on selling into those areas—to go beyond the attractions of Dubai to get into some of these more remote areas.

Mention was also made of Iran, and I think the chairman of the committee is absolutely right: potentially, Iran is one of the biggest markets that Australia could have in that part of the world. The Saudis are interested too, because they are now seeing what is happening with Australian technology coming into the area. I hope that the full report, which will be coming into this House later in the year, can be the foundation of a major effort by Australian companies to go in there and take advantage of those opportunities. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—Does the member for Cook wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BAIRD (Cook) (4.34 p.m.)—I move:
That the House take note of the report.
I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The DEPUTY SPEAKER—In accordance with standing order 102B, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting and the member will have leave to continue speaking when the debate is resumed.

SUPERANNUATION (ENTITLEMENTS OF SAME SEX COUPLES) BILL 2004
First Reading

Bill presented by Mr Albanese.

Mr ALBANESE (Grayndler) (4.35 p.m.)—I am pleased to present the Superannuation (Entitlements of Same Sex Couples) Bill 2004 but I am disappointed that I have to do this once again. The Superannuation (Entitlements of Same Sex Couples) Bill 2004 was once titled 1998, because it has been before this chamber for six years. There is allegedly now a consensus in the parliament that same-sex couples are entitled to equal treatment with regard to their superannuation. I certainly believe that equality in this area should be a first step to achieving equality across the board and I support the removal of discrimination against same-sex couples.

But I am not alone. The Association of Superannuation Funds of Australia supports my bill, as do various private sector organisations and the ACTU. Indeed, the Senate had an inquiry into my bill for which it received hundreds of submissions in support of the bill and only three in opposition. It is quite clear that, at a time when someone’s partner dies, the last thing they should be subjected to as a grieving partner is a wrangle over superannuation rights. The case for this reform is therefore very clear. The government will say that it has fixed the reform through an amendment to its choice bill, which is a retrograde bill with regard to superannuation, that came about through a deal with the Australian Democrats.

There are a number of problems in that, because the government has failed to take the
step of redefining the term ‘spouse’, as my bill does, to acknowledge the fact that these days spouses are diverse and should include same-sex partners. As a result, even though the reform is a step forward, same-sex couples will still be required to prove both financial and emotional interdependence, and they will be excluded from other benefits of the superannuation and taxation system such as the spouse contribution rebate.

There are other concerns about whether the bill will cover same-sex couples in the Commonwealth Superannuation Scheme. There is also a concern about whether they will be able to benefit from the superannuation legislation, because the Income Tax Assessment Act is not being amended to allow same-sex couples to receive the same taxation concessions that are currently available to heterosexual couples. You might think that is because the government will not acknowledge that same-sex relationships can be as legitimate and important as heterosexual relationships, but a contradiction in the government’s policy on this has been drawn to my attention. It is in the government’s Anti-terrorism Bill (No. 2) 2004. Schedule 3 of that bill, ‘Associating with terrorist organisations’, seeks to amend the Criminal Code Act 1995, subsection 102.1(1) of the Criminal Code and to insert the following definition: ... close family member of a person means:

the person’s spouse, de facto spouse or same-sex partner;

The government can make the leap towards an acknowledgement of same-sex couples when it comes to the antiterrorism bill, but they cannot make that leap when it comes to superannuation. Whilst an interdependent relationship between, say, two sisters can be very important and valid—and there is argument for the need for reform there—that is not the same as a sexual, loving relationship between either two men or two women. That is not the same, and the government refuses to take that step with regard to superannuation legislation. Frankly, I am disappointed that the Democrats have caved in on this issue and have not supported full reform. The Labor Party in government will remove discrimination in this area and also in taxation, immigration and a range of areas, after a full audit of all Commonwealth legislation. This would be an important step. I commend the bill to the House.

Bill read a first time.

The DEPUTY SPEAKER (Hon. I.R. Causley)—In accordance with standing order 104A, the second reading will be made an order of the day for the next sitting.

AUSTRALIAN DESIGN RULES AMENDMENT BILL 2004
First Reading

Bill presented by Mr Wilkie.

Mr WILKIE (Swan) (4.40 p.m.)—I present the Australian Design Rules Amendment Bill 2004. This bill amends the Motor Vehicle Standards Act 1989 to ensure that passenger motor vehicles are fitted with a spare wheel and tyre of similar design specifications to the standard wheels and tyres fitted to the vehicle. Failure to comply, unless with the minister’s exception, will see the vehicle fail to meet Australian standards. This bill will ensure that the safety of the Australian motoring public will not be compromised by the increasing use by motor vehicle manufacturers of temporary use spare or space-saver tyres. Temporary use spare tyres, or TUSTs, come in a variety of forms. The most commonly used TUST is the traditional space-saver tyre. They have a reduced width, reduced radius and a brightly painted, usually yellow, rim. Sports cars or luxury cars are usually fitted with these space-saver tyres, and some popular small cars are also fitted with them. Another type of TUST is a small wheel spare tyre. It is a smaller and
usually cheaper wheel from the same but less luxurious model of vehicle. This tyre may look like a full-size tyre, but its dimensions differ from those actually fitted to the vehicle. Some manufacturers are also fitting a full-size spare tyre on a steel rim, although the vehicle is fitted with alloy rims as a standard feature. Worst of all, some manufacturers do not equip their vehicles with spare tyres at all. They go for two options, either supplying run-flat tyres, which are designed so the vehicle is driven a limited distance when the tyre is punctured, or repair kits—in other words, they supply no spare tyre, just a kit to temporarily seal a puncture, expecting you to then somehow reinflate the tyre, which will need to be repaired properly at a later time. Although some vehicle designs such as luxury sports cars can only accommodate space-saver tyres, other manufacturers are compromising safety deliberately, to save money. Standards need to be assessed so that the Australian motoring public are not put in unnecessarily dangerous situations due to this practice.

Research shows that the practice of putting in a different spare tyre to the standard full-size tyre equipped on the vehicle is now so prevalent that there is a one-in-four chance that a given model in motor vehicle showrooms across Australia has a smaller, inferior spare. These space-saving and cost-effective tyres compromise motor vehicle safety, and this bill seeks to ensure that manufacturers equip new vehicles with full-size standard tyres instead of temporary use spares. Most drivers are not even aware that they have a space saver as a spare—a narrow tyre with a yellow rim—until they have a flat. They open their boot to find a small, short-term tyre that is only designed for emergency use.

Studies have shown that these temporary tyres compromise a vehicle’s handling ability and increase braking distances. The space saver is the worst. Its smaller radius and width compared to the car’s standard tyre affect the motorist’s emergency handling of the vehicle. There is a reduced ability for the tyre to handle extreme loads during emergency braking, swerving and cornering. In one automobile club test, a space-saver tyre fitted to the front axle of a small vehicle without an anti-lock braking system increased braking distances by 15.4 metres or 3½ car lengths. Cornering traction is also affected, in particular on heavy vehicles such as four-wheel drives where grip levels deteriorated as much as 13 per cent. In the international standards test for emergency lane changing—the moose test—space-saver tyres significantly increase the difficulty of emergency swerving without the vehicle becoming unstable. Under emergency braking and swerving in vehicles without an anti-lock braking system, the motorist experiences difficulties in keeping control of the vehicle. When trying to stop quickly the wheel locks and emergency braking causes the vehicle to pull to one side of the road and causes flat spots in the tyre.

People may say that the occurrence of flat tyres and the consequent need to use your spare is pretty rare. However, in the period from June last year to the end of May this year, the Royal Automobile Club of Western Australia received 18,738 roadside assistance calls from members with flat tyres. This figure excludes motorists with the means and ability to change a tyre themselves. That is a fair few dozen flat tyres and probably an increase in the number of shocked motorists who realise when they change their flat tyre for the first time that their car is equipped with a substandard version of their normal tyres. The Motor Vehicle Standards Act in its current form does not ensure that motor vehicles are fitted with spare wheels at all, let alone standard-sized wheels. A national standard must be set so that Australian motorists
are not compromised in their safety on the roads.

Of course, the type of road surface and weather conditions are probably the most influential factors in creating the safety concerns about TUSTs, but there is a more important issue here. Manufacturers are knowingly putting unsafe equipment in vehicles, and unsuspecting motorists' safety is at risk. Consider the outback roads and highways in Australia. The distances between some towns and cities are immense. A flat tyre between populous places would require the use of a temporary spare tyre to limp on to the next service centre. It would involve a few days wait in some of the remotest locations just for metropolitan dealers to freight the replacement tyre to such places. If vehicles were fitted with a full-sized spare, at least a motorist would be able to travel quickly and safely to the nearest service centre, avoiding unsafe travel conditions not only for themselves but for other road users as well.

This bill is all about road safety, preventing unnecessary risks to motorists and ensuring motor vehicle manufacturers take responsibility for the vehicles they are producing so that the Australian motoring public's safety is not compromised. I commend the bill to the House.

Bill read a first time.

The DEPUTY SPEAKER (Hon. I.R. Causley)—In accordance with standing order 104A, the second reading will be made an order of the day for the next sitting.

GRIEVANCE DEBATE

Question proposed:
That grievances be noted.

Immigration: Migrant Settlement Services

Ms VAMVAKINOU (Calwell) (4.46 p.m.)—My grievance this afternoon is about the recent round of Community Settlement Services Scheme funding for 2004-05 and, in particular, the shock defunding of two organisations, the Victorian Immigrant and Refugee Women's Coalition and the Victorian Arabic Social Services. This year's round of CSSS funding has seen at least 10 current programs lose funding nationally. Six of those programs are in my home state of Victoria. The reasons that have been given by DIMIA for the defunding of the two organisations I wish to speak about this afternoon are, as far I am concerned, far from satisfactory. I would like to take this opportunity to call on the Minister for Citizenship and Multicultural Affairs, Minister Hardgrave, to immediately review DIMIA's decision to defund both the Victorian Arabic Social Services and the Victorian Immigrant and Refugee Women's Coalition.

The Victorian Arabic Social Services—affectionately known as VASS—is based in my electorate of Calwell and services hundreds of Arabic-speaking residents, from newly arrived families to young people—especially young boys—and women in the Broadmeadows area. VASS was founded 25 years ago and evolved from a lobby group into a comprehensive and highly professional service provider. VASS is a non-political, non-religious and non-sectarian agency which was founded on the basis that it would represent the welfare needs of and provide advocacy for all Arabic-speaking communities on an inclusive basis. The operative word to describe the strength of VASS is 'inclusive.' It is a very inclusive organisation.

Another strength of the organisation, as well as its inclusiveness, is its proficient understanding of the language and culture of the people it services. This is an organisation that is providing an important service. VASS has hundreds of families on its books. My office works closely with VASS, and I often seek its advice and guidance on issues—so do other service providers in my electorate,
such as the Dianella Community Health Centre and the Hume City Council.

VASS works closely with other community networks and has become a leader in helping to break down the barriers of racism by developing innovative and creative programs to help the broader Australian community understand Muslim Australians. It works with local schools to develop programs to strengthen links between parents and schools and provides a means by which people of Arabic-speaking backgrounds can participate in the Australian community. It actively promotes citizenship and has recently commenced working very closely with our local job providers to help deal with the very high unemployment amongst the Arabic-speaking community in Broadmeadows and especially the difficulty of young Australians of Arabic background in finding work.

In light of these services, it is fair to suggest that VASS is doing a great job and is a valuable service. Therefore, I cannot for the life of me understand why it was defunded in the current round of CSSS funding. In fact, I am astounded, because there is a huge need for VASS’s services in my electorate. We have many emerging migrant and refugee communities and, in particular, a very large Iraqi community. These are new migrants who desperately need settlement services. Because of this senseless decision by DIMIA, a vital service has been arbitrarily terminated and is in fact in danger of being lost altogether. But such is the dedication of the people at VASS that they have said to me they will not turn people away and will in fact continue to provide their services on a voluntary basis, if needs be.

DIMIA’s claim—the reason that they put forward for terminating funding to VASS—was that there are other organisations in the surrounding area that offer settlement services to the Arabic community. In their view, that creates an overlap. My grievance this afternoon is not about why one organisation was funded and not the other. I am definitely not here to pit one organisation up against the other, because I am familiar with the other service providers and organisations and I know that they also do a tremendous job and have rightfully received funding. I am here to ask why VASS in particular was defunded, because it certainly should have been funded again. The strange thing about VASS is that it is physically located in the catchment area it services, making it convenient and accessible to its clients. It complements the work of existing services rather than, as DIMIA says, duplicating them.

The second organisation I wish to talk about is the Victorian Immigrant and Refugee Women’s Coalition. This is a state-wide advocacy body that addresses the various concerns of refugee women. It works with relevant regional, state and national agencies and monitors the impact of government policies on immigrant and refugee women in Victoria. It has a membership of 58 organisations, with a total individual membership of some 2,000 people. It was launched in 1998. It received a two-year grant out of the 2002 CSSS funding, which enabled it to hire a full-time worker. Its current activities include: mentoring programs; a multicultural women’s cooperative; training women for work in the hospitality area; and referral and training support for 30 grassroots women’s groups. It functions as a policy forum. It has an employment partnership program, an English conversation program, a multicultural women’s choir, volunteer training courses and leadership programs. As you can see, it too is conducting much needed work—work which is innovative and far reaching. Again, I am unable to understand why it was defunded in the current CSSS round. The defunding will result in the or-
ganisation losing 90 per cent of its funding, which will mean that it will no longer be able to employ staff. Certainly the wonderful programs that it runs will cease, and the organisation will simply fold. I wonder what sense there is in making that decision.

Again, the organisation was told by DIMIA that it had been defunded because it had failed to meet its outcomes. Given the nature of its work—and, as you can see, it is very extensive and highly professional work—how could anyone believe the excuse that it had failed to meet its outcomes? The excuse seems even more curious when we are told that DIMIA never ever mentioned to the organisation that it was not meeting its outcomes. In fact, in the last 18 months there has been no indication—not a word—from DIMIA that it was not happy with the organisation’s performance. It is nothing less than an outrage that it should be slapped with this highly unflattering report card and lose its funding.

Rather than the excuses that have been put forward in relation to these organisations—that is, the claims of duplication of services or, indeed, alleged failure to meet outcomes—the defunding of these organisations is, in my view, a case of selective penny-pinching by the government, which has overseen massive cutbacks in service programs across the board, particularly in the area of multicultural services. These are cutbacks to the service sector and, as I have said, they are not the result of a lack of money, because this government has truckloads of money, as we have seen in recent times. Rather, these cutbacks are the consequence of the government’s misguided and inhumane priorities when it comes to the delivery of services.

There is obviously no extra money to expand rather than reduce settlement programs, but the government has no problem in lashing out $6 million to buy the Maygar Baracks in Broadmeadows for a new 200-bed detention centre. It also has no qualms about spending $7 million upgrading the Maribyrnong detention centre, even though it is going to sell it in a few years. Obviously there is money to burn—it is just that it is being spent in the wrong areas. Imagine how many settlement programs that money would fund. There is money for detention centres but there is no money for services. Those are twisted priorities from an opportunistic government. My electorate is worse off because of those twisted priorities.

If the government is serious about enhancing our multicultural society and about easing the transition of migrants and refugees in the Australian community it should take immediate action to redress this stupidity and restore funding to these organisations. The minister must review the decision, otherwise we will have no reason to believe anything other than that this government is not really committed to servicing the needs of migrant communities and is simply playing politics with multiculturalism—playing favourites with multiculturalism. I ask the minister, finally: if these groups were able to pose a serious threat to the government in this election year, would he immediately move to restore their funding, as has been the case with other groups? (Time expired)

Ipswich Motorway

Mr CAMERON THOMPSON (Blair) (4.56 p.m.)—Once again I rise to speak on the thorny question of the Ipswich Motorway and what is to be done about it. Last week I raised the incompetent management of the project by the Queensland government. No-one in Ipswich, no road user and no local business—no-one at all—thinks it is a good idea to take a road with 100,000 vehicles a day and dig it up for eight years to produce what would be a six-lane road with a completed capacity of no more than 120,000 ve-
vehicles a day. No-one thinks it is a good idea to demolish 20 good bridges and build 53 new ones while 100,000 vehicles a day pass through that incredible construction site. Even the architects of the project, Kellogg Brown and Root, found that, given the massive scope of works and the daily traffic disruption, it would be impossible to do the job in five years. They said that the minimum would be 7½ years. So what credibility is there for the Queensland transport minister and his Labor followers now that we all know that even these optimistic figures were rorted by 20 per cent? The great scandal of this project is that $10.6 million of taxpayers’ money was wasted in putting together a plan based on shonky figures. Frankly, it should be a job for the CMC.

So today I want to question any further involvement by the state government in the vital task of expediting the important project developed by the Commonwealth to halve traffic on the Ipswich Motorway, extend the Logan Motorway to Dineenmore and direct all traffic from the Cunningham and Warrego highways onto the new route. I want to question any further role for a government that wasted $10.6 million on a project it knew to be impossible. It knew because in 2003 its engineers were writing that, during the construction period for the Ipswich Motorway—2004 to 2011—traffic would increase from 80,000 to just 118,000 vehicles a day. But, at the same time that the state government was writing that falsehood, it had full control of the highway traffic counters—and what was the true Ipswich Motorway traffic? In 2003, there were 99,073 vehicles a day; in 2002, 95,140; in 2001, 92,450; and in 2000, 92,800. Those were the average weekday traffic volume totals for those periods.

We still do not know what the 2004 average weekday traffic volume is, because Mr Lucas has not released it. In 2001 there were 92,450 vehicles a day but the report said that there were 80,000 vehicles a day. In 2002 there were 95,140 vehicles a day but the report said that growth across the construction and operational period was just three per cent. In 2003 there were 99,073 vehicles a day but the report said that construction would start in 2004 with just 80,000 vehicles a day at the busiest location, which is just west of the Logan interchange. I do not think it is acceptable for the state government to claim it did not know. It most certainly did know. Those figures were coming in each day from the traffic counters while this misleading report was still in its embryonic development. Remember that work did not even start on this study until 2002 and it was not complete until 2003.

The real scandal is that the state government spent this $10.6 million and rorted the outcome while it specifically rejected the only workable option. The state government refused to allow the engineers to consider the need for an alternative route, even when the six-lane plan was clearly unworkable. What I allege is not incompetence; it is corruption. The Queensland state government approved the use of rorted figures. When the project still failed the necessary guidelines, the state government did not order a switch to an alternative route. When the project overran its allocated timetable by 50 per cent, the state government still did not order a switch to an alternative. And the state government had the gall at that stage to ask the Commonwealth not only to fund the $10.6 million study but also to proceed with the basket case of a project it had produced in the process. In my book, that should be the end of the state government’s involvement with this crucial project.

Every day, 100,000 vehicles rely on this road for trade, commuting to work, carrying freight, getting kids to school and dozens of other reasons. The Commonwealth has made the right move, and I want to outline the
benefits that will flow to the Ipswich community and other road users as a result. The Commonwealth has committed to start immediately on preconstruction for a new Ipswich-Logan interchange. Under the old six-lane scheme, this project would not have reached construction until 2007. We are bringing it forward. We are going to extend the Logan Motorway from the interchange over the Brisbane River to Priors Pocket and the Redbank Peninsula to join direct to the Cunningham and Warrego highways at Dinmore. The Ipswich City council plans to develop 10,000 jobs on the Redbank Peninsula. These jobs cannot proceed without the Commonwealth’s AusLink project because, without it, there would not be adequate access to the industrial zoned land on that peninsula.

From a purely selfish Ipswich point of view, this new road will make a big impact on the entry to our city. Instead of an ugly asphalt eyesore, or the even uglier replacement proposed by the state government, we will have a new riverside drive coming into Redbank over the river. If the council is able to exercise some vision with setting out the new industrial area on the Redbank Peninsula—and the new area adjacent to Gateway Bridge at Murarrie comes to mind—we should have a new gateway to Ipswich which all of Australia will envy.

At the same time, businesses in Goodna such as AMH, Capral and other local industries, will benefit from the early completion date. They will also benefit from the fact that existing motorway traffic will not be disrupted to anything like the extent of the eight-year process previously planned by the state government. They will also benefit from the fact that Goodna will not disappear under acres of asphalt, huge embankments and new noise barriers. There will be new jobs in trade with new opportunities at Redbank. Commuters will have less disruption during construction and half the traffic on the Ipswich Motorway on completion in just four years. On top of that, all Warrego Highway and Cunningham Highway traffic will be directed onto the new road at Dinmore. That means Ipswich Motorway commuters will not find themselves mudguard with B-doubles and other trucks every single day.

Our plan will also address the long-term problems of trucks using the Brisbane urban corridor through Granard Road and Mt Gravatt-Capalaba Road. The idea that that section through the Brisbane urban corridor is a national highway and should remain so is an idea that today is unique and peculiar to the Labor Party. Big trucks hauling past 17 sets of traffic lights and up and down five hills is just crazy. The coalition government here in Canberra has the vision to shift that traffic to the Logan Motorway. At present, the biggest single obstacle to that is once again the Queensland state government, which insists on charging a toll as a massive deterrent to truck traffic which otherwise would naturally choose the Logan Motorway. I hope the state government can be persuaded to be part of the solution, not part of the problem, by helping to find ways to encourage truck traffic onto the Logan, in line with this visionary Commonwealth plan.

Finally, I want to address those people living north of the Brisbane River who have on occasion opposed earlier proposals for a four-bridge crossing of the Brisbane River in order to complete an alternative route. Concerns from the people in that area and from political representatives who were concerned by the four-bridge scheme certainly have been heard by the Commonwealth government. The member for Ryan has now proposed the conversion of the Priors Pocket area to a community parkland area. This is a great opportunity for a win-win for commuters, residents and all other stakeholder
groups. That particular proposal is the tip of the iceberg. As I said, the beautification of the Redbank Peninsula and the other opportunities that arise as a result of what the Commonwealth has put forward mean that we have an incredible new opportunity for our area to advance and to present that advancement in a way that is not only functional but also very pleasing to the eye.

I want to close by congratulating the Minister for Local Government, Territories and Roads, Senator Ian Campbell, for his commitment to see this through. I also want to congratulate the Deputy Prime Minister for the part that he has played in helping to bring this to fruition. The minister for roads, Ian Campbell, has a big job ahead of him to ensure that all the benefits of this scheme are realised. I wish him all the best in this important venture. This has been a project in which there has been a lot of involvement with the community. I have certainly been involved in it every step of the way.

The chicanery that we have seen from the state government in putting forward a completely unworkable scheme, when they knew that it did not measure up to the national highway guidelines—dropping it on the table and asking the Commonwealth to take it on board and to run with it anyway—was just a travesty of planning. When Queensland is growing at the phenomenal rate that it is growing today, the state government cannot afford to play those games any more. We need to have effective planning. This is an example of it. I congratulate everyone who has had the vision to see this through, and I look forward to working with them to make it a reality.

Bacon, Hon. James (Jim) Alexander

Mr QUICK (Franklin) (5.06 p.m.)—Jim Bacon passed away early yesterday morning, and Tasmania lost one of its favourite sons. Today the whole island is in mourning for a man who, although not a native Tasmanian, had an enormous influence on each and every person he met. Tributes are pouring in to newspapers and radio stations as people come to realise that Jim is no longer with us. For the past 128 days—since his very public announcement that he had contracted inoperable lung cancer and was resigning to spend his last days with his wife, Honey, and his family—Tasmanians from all walks of life have concerned themselves with Jim’s health.

Jim Bacon will be remembered as a man with a vision for Tasmania—a vision that was achievable, believable and deliverable. In his tribute to Jim, Tasmanian Premier Paul Lennon, said that Jim Bacon was one of the great Tasmanian premiers. Mr Lennon said:

His leadership and vision were for a new Tasmania—a Tasmania more confident, more tolerant, more progressive and stronger. That is his legacy to the people of this state.

In just a handful of years as premier, Jim achieved the enormous task of making us feel different about ourselves and about our future.

Jim Bacon was elected to the Tasmanian parliament in February 1996 and two years later, in 1998, became premier of the great state of Tasmania. The editorial in today’s Hobart Mercury stated:

Tasmania has lost a great enthusiast for this state, a peerless salesman for this small island, a consummate politician and a passionate advocate for equality of opportunity. Jim Bacon was the right man at the right time for this state, a relentless, fearless champion for Tasmania and Tasmanians. While there might be opponents who could argue about his policies, no-one could argue that in his heart he put his state and its people first.

Jim Bacon cared so much for Tasmania that, when he was faced with his fateful diagnosis, on a Friday, he spent the weekend carving out a succession plan and a transition for the Tasmanian government. He displayed so much courage and carried himself with so
much dignity when he announced formally his intention to resign as premier and as a member of parliament.

People I know remember small but significant things about Jim Bacon. Jim had the capacity to remember people he met, often recalling details years later after a fleeting initial meeting. Jim stopped and talked with Tasmanians from all walks of life. He listened to ordinary people and made them believe in themselves. More than any other attribute, Jim Bacon was able to make decisions. He knew that he could not please everybody, but he made sound decisions that were supportable and defendable. Jim Bacon utilised his talents to serve others. On behalf of the electors of Franklin, I would like to convey to his wife, Honey, and his sons, Mark and Scott, our heartfelt sorrow at Jim’s passing.

As I was unsure whether my Tasmanian federal colleagues would be able to publicly state their feelings on Jim’s passing, I asked them for their thoughts, although, after question time, the Leader of the House stated that we would have the opportunity later in the week to put on the public record our thoughts on Jim and his commitment to Tasmania. Seeing that this grievance debate is being aired on the Parliamentary and News Network, I would like to incorporate into this speech the thoughts of Sid Sidebottom, the member for Braddon, and Dick Adams, the member for Lyons. Sid Sidebottom says:

Jim was personally supportive of my campaign to win Braddon for the ALP, most especially in the lean years when encouragement was needed most. His personal letter of congratulations when I was elected in 1998 is one my most cherished pieces of correspondence. You might remember Jim’s National Press Club appearance about 18 months ago. He personified and articulated Tassie’s growing optimism. Indeed, he was so confident of this that he issued an invitation to everyone present to get on board the Tasmanian journey.

He was right about the journey and he was right about people getting on board. They are now doing it in record numbers. Tasmanians have a sense of optimism about our island. Jim Bacon was personally instrumental in helping to bring this about. Jim’s great strength was that, as an eager immigrant and passionate convert to Tasmania, he was able to see that our island had much to offer and was capable of greater things. This legacy proves he was right. As Peter Dwyer, past editor of my local newspaper, the Advocate, wrote today:

‘Given a fair deal, in national terms, Jim Bacon believed the island could do more for itself than it had already done. His legacy proves he was right.’

Jim Bacon was genuinely respected by Tasmanians and loved by many. He was a natural leader and a successful one. He was also a good man, much loved and greatly loving. He loved Tasmania and politics, but he loved his family most, especially the love of his life, his wife, Honey Bacon. We will greatly miss Jim Bacon, but we are better for his wonderful contribution to our state and for falling in love with Tassie in the first place. Rest in peace, Jim Bacon.

My colleague Dick Adams, the member for Lyons, says:

Yesterday was a very sad day for Tasmania and for all of us in the Labor Party, as Jim has been a true friend to Labor. Back in his days as the state secretary of the Builders Labourers Federation, Jim took up the fight for the ordinary working man and woman. When he was elected secretary of the Tasmanian Trades and Labor Council, he was instrumental in the changes to the rules to give a broader base of representation to all major groups in the council. It was a breath of fresh air in the movement.

Jim was elected leader after only a short while in parliament because the party believed in his skills as a leader, and Tasmanians elected him premier because he sounded like a strong and purposeful leader. Tasmania had lost faith in the political process, following the Green-Labor and Green-Liberal coalition governments. He used his negotiation and leadership skills to pull the party together, developing a very strong team with his
deputy leader, Paul Lennon and Treasurer, David Crean and then headed out on the task of changing and building the economy. His community forums around every small town and region were very popular, and he found that giving people an opportunity to have their say started to change the morale of the state.

The introduction of two new ferries, and then a third, to give a serious ferry link to the mainland, was a major boost. That, along with the retention of the Hydro and the expansion of the power generation capabilities of Tasmania, has led to a huge increase in confidence from those wishing to invest here. Jim managed a sea change in Tasmania in a very short space of time, and now we are leading the nation in innovation, growth and opportunity. I mourn the passing of a very special leader and a close friend. I and my family offer our sincere condolences to Honey’s and Jim’s families and hope that Honey can find solace in the great affection that Tasmanians have for Jim and for her.

Rest in peace, Jim Bacon.

Australasian Labor Party: Rural Policies

Mr JOHN COBB (Parkes) (5.14 p.m.)—I was interested to note that over the weekend the Labor Party had its rural conference in Bathurst just to the east of my electorate. What was particularly noteworthy, by all reports, was not so much what was said but what was not. It would seem that there was an enormous amount that was not said, particularly about regional and country Australia. Considering that that was the so-called Country Labor Party’s big do, one would have thought that the opposition leader would have had a fair bit to say about rural and country policies. But it would seem that this was not the case; not at all. I would assume that all the delegates who attended the conference thought that this would be the time that the Leader of the Opposition would release his rural policies. However, I guess we are all still none the wiser on what Labor proposes to do if they, under the leadership of Mark Latham, were ever to govern the country again.

It is interesting to note that in his budget reply speech he promised that if he were elected he would start by cutting 13 government programs and seven government agencies. I presume the detail of that has disappeared, as did the document that the Treasurer has brought to our attention about the $8 billion worth of cuts. One assumes that all that has disappeared, with that document. Obviously, some of these programs will be regional and country programs around Australia. We are going to have to rely on previous statements by the opposition leader to find out what he is going to cut.

When you look at them, it is not terribly surprising he did not choose to share with his country colleagues what those cuts might be. In his budget reply speech, the opposition leader confirmed his plan to cut the budget for ABARE by 25 per cent. Probably Bathurst is not the place you would choose to lay that before your colleagues. Is he also going to cut the $40 million for the ethanol industry which the government put in place to try to get a fledgling industry going? That means a lot for jobs, the sugar industry and Australia’s renewable position.

He was very vocal, especially before he became the leader, in his opposition to the ethanol industry. In fact it is fair to say that the whole opposition bench has been. In this place on 17 September as the member for Werriwa he said:

... the bad publicity and the lack of consumer confidence in ethanol should be a lesson to people ...

... It just does not work.

So we have to assume that that $40 million investment in the ethanol industry will be gone. I guess that is not something that you would announce in Bathurst, which is not far from where quite a lot of biofuel investment is going to take place—certainly in my elec-
torate. I guess they do not want to hear about cuts to any other form of sustainable fuel systems.

Labor also has the federal government's FarmBis training programs in its sights. In the last budget we announced $66.7 million to go into FarmBis. That is a program which helps the primary industry sector enormously in management skills and various business skills. The Leader of the Opposition, when he was still just the member for Werriwa, was quoted on 19 February 2001 as saying: Just last week I uncovered another nice little earner called FarmBis. The federal government is spending $38 million on management training for farmers and their families. No other part of the work force receives this kind of assistance.

I guess he is also showing his ignorance here. It is an attack on a very successful government program and it is also incorrect. If the Leader of the Opposition should choose to look at the small business web site he would learn that this government has put in place training and other various forms of assistance to any number of programs in any number of industries. They get export and other assistance to help them establish or to help them expand or to help them go into new markets. As the Leader of the Opposition, perhaps he should avail himself of that opportunity and correct his mistake.

In that particular interview, the Member for Werriwa also commented, ‘Over the years’—the farm sector—‘has secured from government a long list of tax concessions and handouts.’ It will be fairly obvious why he did not announce this little lot at Bathurst on the weekend: ‘... zonal tax rebates; tax concessions; write-offs for water conservation and land care expenses; drought investment allowances; tax concessions for telephones and electricity lines; income tax averaging; a Diesel Fuel Rebate; education allowances; and exemptions from capital gains tax.’ If the opposition leader were to have a look at these he would realise that some of these are available to all businesses. He went on to say: ‘If agriculture in this country is so efficient, then why does it need such a high level of business welfare?’

I guess as a country person and a farmer that does not give you a lot of confidence that to save his $8 billion the member for Werriwa—the Leader of the Opposition—is not going to take a very large knife to programs without which agriculture would be flat out existing. It is not business welfare, it is business assistance.

In the case of the Diesel Fuel Rebate, he would do well to realise that successive governments of all political persuasions have accepted without too much trouble that it is very necessary. It has also been necessary for the mining industry. I wonder if that is what he is going to cut? When you look at his comments, is he going to take away the Diesel Fuel Rebate? What is he going to put that money into? One would have to wonder if it would go into the regulation of the food industry and the telling of people what they can and cannot eat. We heard the Prime Minister mention this morning—very correctly, I thought—that he did not believe Australia has gone so far that we should take money away from the productive sector to instruct people on what they can and cannot eat. But the member for Werriwa may see this differently. I guess it is not surprising that we did not hear all these policies at Bathurst on the weekend; that is probably not the place that you would choose to expand on them.

The Leader of the Opposition would do well to realise that we are amongst the most efficient producers in the world and that production must take account of the vagaries of the weather, which, by and large, most other industries do not have to do. He would also do well to remember that country Australia is still responsible for almost one-quarter of all
Australia’s exports and all the jobs that go with that. Before he slashes, cuts and burns—and one assumes he must have the sector in his sight; he is simply not talking about it as yet because, as we have heard, quite obviously he mostly has policies that he does not want to talk about—he should consider how much harm is he going to do a sector that accounts for one-quarter of Australia’s export earnings.

The quotes that I mentioned were taken from before the member for Werriwa became the Leader of the Opposition. It would be nice to have more recent quotes, but there are not any, because he does not want to tell us what those policies are and, as I think the Treasurer has pointed out, the document containing the $8 billion worth of cuts is nowhere to be seen. I think the opposition leader’s minders must have told him not to make any further policy statements because they are running out of white-out to remove them from the web site when they do not appear to be what they want. Nothing is what we are hearing, and nothing is what we are getting. I think the weekend in Bathurst underlined the fact that not only has Country Labor, certainly at the state level, never delivered anything to country people but also what is going to be delivered to country people by the Leader of the Opposition is not what they are going to want to hear—it is certainly going to be a huge cut in every program that has been successful over the last eight years.

Howard Government: Advertising

Mr BEVIS (Brisbane) (5.24 p.m.)—I grieve for all those Australians who are being bombarded, every time they turn their television on, with taxpayer funded political advertisements on behalf of the Howard government. During the course of the non-sitting week just past a number of people in Brisbane raised the issue with me. It is no surprise that the Howard government has adopted this approach. It is not a new tactic for the Howard government. Indeed, the Melbourne Age on 29 May noted the current Prime Minister’s tendency towards these activities. It said:

Thirty years in Federal Parliament has taught the veteran John Howard that he should never leave it to the media to put the right spin on Government policy. This helps explain why, since 1996, the Howard Government has smashed all the records when it comes to using taxpayers’ funds to spruik its programs.

After eight years in power, the Liberal/National Coalition has spent more than $750 million on Government advertising.

This year we find through Senate estimates that the Howard government intends to spend in excess of $120 million on taxpayer funded ads, the bulk of that to be spent in the course of the last month and weeks remaining between now and the federal election. I think most of us in this parliament take the time when we can to read crikey.com. It is always an informative place to pick up bits and pieces. I notice crikey.com was even moved to comment under a heading ‘The extraordinary federal advertising blitz’ that governments of all persuasions are guilty of this. They noted:

All governments are guilty of this, however the Howard Government is taking it to a new level and literally spent tens of millions in recent days. By revealing a figure of $97 million for 2003, it certainly makes the current $123 million blitz in a few months leading into the election look extra cynical.

The Howard government’s politicisation of the Public Service is a major concern. Its willingness to now use taxpayer funds in an unprecedented way and at an unprecedented level for its short-term political gain is breathtaking. The size of the advertising budget that the Howard government proposes to spend at the moment needs to be put
into some historical context. In 1998, the year of the first election in which John Howard was Prime Minister, the government ramped up advertising to a then unprecedented level of $32 million just four months prior to the election. An average of $8 million a month of taxpayers’ funds was spent leading up to the 1998 election. That surpassed by a long shot anything ever undertaken prior to 1998. In fact, $20 million of that $32 million was spent in the four weeks before the 1998 election.

To put that into some context, every time this issue is raised in question time—a process whereby the standing orders restrict what members may ask as questions but basically allow ministers to say whatever they like in response—ministers hop up and like to talk about the programs conducted whilst Labor was in government, particularly Working Nation. If you have a look at Labor’s Working Nation program, which was a government program that was advertised at taxpayers’ expense, you see that the total spend of the entire Working Nation advertising program, which ran for some months, was $15 million. That is less than the Howard government spent in the four weeks before the 1998 election. But that was 1998. Not content with establishing unprecedented levels of political largess at public expense in 1998, in 2001 the amount of taxpayers’ money spent by the Liberal government to support the Liberal Party’s campaign was $78 million—more than double the spend in 1998. In 2001, $78 million of taxpayer funds was spent for the sole purpose of helping John Howard and the Liberal Party get themselves elected into office. Now we move to 2004 and the current election, and we see $123 million to be spent on political party advertising, paid for by the taxpayer to benefit Liberal members of the parliament.

I should add that these figures have not been made available by the Prime Minister or by the government. These figures have been extracted like teeth during Senate estimates, courtesy of the good work of Senator Faulkner in particular and others on the Labor side. The government have not come clean on these expenditures; they have not let the people of Australia into their confidence by explaining how much of the taxpayers’ money they are spending in the lead-up to the election. But the amount of money now being allocated is causing comment in the streets and in the clubs, pubs and associations, and it is causing comment in the gallery. I was interested in an article on this issue by Glenn Milne in today’s Australian. He concludes that article by noting:

The parties have chosen their corners and they won’t fundamentally change. One side is offering values and the other is putting up a conventional political agenda, emphasising a steady stream of electoral bribes, pork-barrelling, targeted largess, some promises regarding services and a massive dollop of political advertising dressed up as government advice to the community.

There is no prize for understanding which side of the political debate offers values—that is the Labor side—and no prize for understanding which group it is that is out there with old-style electoral bribes, pork-barrelling and, as Glenn Milne quite properly points out, ‘a massive dollop of political advertising dressed up as government advice’—to the tune, I again say, of $123 million in the space of a few months. In the same paper I notice that Steve Lewis, its chief political reporter, was drawn to say:

It really is a breathless amount of taxpayers’ money to spend in the election lead-up, and it should generate voter outrage.

I have no doubt that it will generate voter outrage as it becomes more and more obvious to the people of Australia. In doing this, the Liberal Party and the Howard government have actually gone one bridge too far. There is a proper role for taxpayer funded
advertising of information programs; there is community acceptance of that. But some of those advertising campaigns in 1998 and 2001 were for automatic adjustments. The Howard government spent money on advertising campaigns for benefits for which recipients did not have to apply; they did not have to fill in any forms. But the government still ran those ads. That was a clear demonstration that those campaigns were not about information. People did not need advice that they had to do something in order to get the payment; the payment was automatic. Nevertheless, the government ran ads. We see a similar dynamic applying now with the current ads. But the government have gone a bridge too far by having taken what was a modest level of informative advertising at government expense to new heights in 1998, doubling that record 1998 expenditure in 2001 and now increasing that $70 million-plus budget from 2001 to a massive $123 million campaign.

The people of Brisbane, whom I represent in this parliament and have had the privilege of representing for some time, think that money could have been put to far better use. The people of Brisbane can see other options for spending taxpayer money, and they do not much appreciate having their money spent on these sorts of campaigns. We have already heard in this parliament about what could be done with those funds in the critical area of health. Had the government wanted to help people with Medicare, we could have seen instead some 611,000 bulk-billing services in addition to those already undertaken. In my electorate that is important. In my electorate bulk-billing rates have dropped from 87 per cent four years ago to less than 60 per cent, because this government and this Prime Minister have never supported bulk-billing and have never supported Medicare.

I have Blue Care and Meals on Wheels in my electorate, as would all members have in their electorates. You can go through the list of welfare organisations and people who provide services, particularly to the elderly and the less well off; they all struggle to get funds. Our local schools struggle to get funds. We do not have the money for research to try and solve juvenile, type 1, diabetes—$25 million is all they ask for. The government cannot find $25 million to solve type 1 diabetes, but they can find $100 million to spend in the space of a few weeks on electioneering. It should end, and I hope that with this election it will.

**Eden-Monaro Electorate: Business Enterprise Centres**

Mr NAIRN (Eden-Monaro) (5.34 p.m.)—I have a grievance today with the further withdrawal of services by the New South Wales Labor government. It is a real-life demonstration of what Labor does when it gets control of the Treasury bench. We all know of the financial difficulty that the New South Wales Labor government has got itself into, so much so that recently it had to have a mini budget which extended land taxes and introduced a new 2 1/4 per cent stamp duty tax on the sale of properties. So now in New South Wales you pay a stamp duty tax to buy a house, a land tax while you own it and another stamp duty tax when you sell it.

The latest gem from the New South Wales Labor government is its withdrawal of funds from the Business Enterprise Centre network. BECs right around the state are now going to be closed because of the withdrawal of funding. I have three BECs in my electorate of Eden-Monaro: in Queanbeyan, in the Snowy-Monaro of Cooma and also in Bega. They do the most superb job—an absolutely superb job. By withdrawing that funding the state government is going from 51 BECs spread around New South Wales to a number
of supercentres, as they call them. Therefore, small businesses that have been getting such great support from the BECs right throughout my electorate will now have to go either to Wollongong or up to Queanbeyan, where supercentres will be set up.

The Labor Party seems to think you can help small business just by having a telephone service and that face-to-face service is not necessary. Those in small businesses, including those small businesses that have been supported by this network, will not be getting in their cars and driving for many hours to go and have consultations in these supercentres; they will not do it. It is quite staggering that the New South Wales government would make this sort of decision. Jim Hatfield, Chairman of the Snowy-Monaro BEC, has sent me an email. All the boards that run these BECs are made up of volunteers; they give their time for the good of small business in the region. In this email Jim says:

Without any consultation, the NSW Government has withdrawn funding for the State’s 51 BECs and announced a tender for 18 Super Centres. We believe the Minister has been ill informed by his advisors and bureaucrats. He will introduce a flawed centralised model that has failed in the UK.

Haven’t we heard that sort of story before? He goes on to say:

Existing, start-up and intending small business owners/managers in the Snowy-Monaro requiring assistance will have three options in the future, travel to Queanbeyan for face to face discussions, phone a 1300 number—

or access a web site. The ability for “face to face” localised business counselling and assistance, the most important element of the service, will be a thing of the past.

No other options, except closing the entire network have been considered or reviewed by the Government in this hasty decision.

I could not agree more. It is a stupid decision. If I take the Snowy-Monaro BEC as an example—and I can also speak for the other ones, which have equally done a great job in the time that they have been there—Jim Hatfield also said:

Funding for Small Business Advisory Service, a wealth and job creation support program slashed by 55% in the Australian Capital Region. From 1993 to 2003 Snowy-Monaro BEC in this region has helped:

- 2,200 clients in over 10,000 client contacts.
- create over 650 jobs, $13 million in business investment and nearly $20 million in yearly wages
- facilitate industry development in Tourism, Lavender, Deer, Herb, Sports, Communications, Agriculture and Home-based business sectors
- Created a community owned Industry and Business Development Centre ($500,000 asset) for the region in 2002, which is now at risk of being lost.

The reason that they have that asset, as well as other facilities, is that the Australian government assisted them to buy the old Army drill hall for a good price, and they received a grant from the Australian government to refurbish it and set it up as a business incubator. So they have a great community facility which is at risk because of the withdrawal of funding from the New South Wales government. It is a similar situation down in Bega. There is just one success after another—and it is because the people who are involved in the BECs are living in those communities, they know what is going on and they can directly assist those small businesses. Somebody up in Wollongong will not have a clue what is going on way down on the far South Coast. ‘Ring up a 1300 number’—big deal.

The people who have been the stalwarts have been terrific. John Mercer, the manager of the Snowy-Monaro BEC in Cooma, has been there right through. He is all over the Snowy Mountains, helping small businesses face to face, mentoring and really helping
them along. The figures speak for themselves about the great success. It is the most mind-
blowing decision that the state Labor gov-
ernment have made. It demonstrates once
again—even the member for Brand said it at
some stage—that the Labor Party really are
not the party of small business. They do not
understand small business, and few have had
any experience. I guess that is part of the
reason.

Incredibly, this decision saves a lousy
$750,000 across New South Wales. I ques-
tion whether the $750,000 will ever be saved
anyway, but that is the sort of saving that
they supposedly are going to gain by making
this disastrous decision and having these su-
percentres, which will become the usual sort
of centralised bureaucracy, with most of the
money being spent in that respect rather than
on helping small businesses. This contrasts
with what we are doing with small business
and having small business advisers all
around the country, out in the rural areas. It
really is a great contrast.

In part of my electorate, the member for
the state seat of Monaro is a real apologist
for what his government is doing in this re-
spect. This is just another of the services that
have been taken away while he has been the
state member, for only a bit over a year. He
lost the trains to Queanbeyan and Canberra,
and then supposedly he fought to get them
back. He got only got two-thirds of them
back and then claimed that that was a vic-
tory. So we have got a much worse train ser-
vice between Queanbeyan-Canberra and
Sydney than we did before the last state elec-
tion. The buses that come from down the
mountains and the coast do not link up any-
more, plus people cannot come from places
like Cooma, Nimmitabel et cetera, spend a
few hours in Canberra and then go back in
the one day; they can only spend about half
an hour. So the Countrylink service has been
messed up. In Queanbeyan, Pepper Tree
Lodge, for elderly people with mental prob-
lems, is being closed. There has been a litany
of services taken away. The great prospect
that this bloke had—when he campaigned
after twice not getting elected at the federal
level—was that he could be part of a gov-
ernment and therefore get things for the elec-
torate, but we have just seen all these things
lost. And the latest is the BECs.

John Mercer and the committee of the
Snowy-Monaro BEC have my great support.
They have done a fantastic job and will be
looking at ways in which they can continue
without state government support. The fed-
eral government have given them support of
$400,000 to $500,000. Marea Moutton from
Sertec on the coast, who run the BEC down
there, has been unfailing in the work that she
does to develop new industries and new
businesses in the region. They all have my
absolute support in fighting this most stupid
decision by the New South Wales govern-
ment, who really do not understand small
business. They want centralised bureaucracy;
and that is all they are offering—rather than
a decent small business service on the
ground, talking to people face to face.

**Port Adelaide Electorate: Bridges**

Mr SAWFORD (Port Adelaide) (5.44
p.m.)—I rise on a matter pivotal to the resur-
gence of Port Adelaide: the new opening
road and rail bridges over the Port River,
known as the third river crossings. These
bridges have been proposed and promised a
number of times over the past 40 years, and
the future of Port Adelaide depends on get-
ting it right this time and getting it done. The
getting it right bit has already been achieved.
In April last year, to a packed Port Adelaide
town hall, Deputy Premier and Treasurer
Kevin Foley promised that the new road and
rail bridges over the Port River would be
opening bridges. The meeting was the cul-
mination of a vigorous campaign conducted
by diverse interests in the port to ensure that the state government committed to opening bridges. The previous Liberal state government had agreed to opening bridges and the Deputy Premier’s announcement was received with acclaim and relief.

The campaign for opening bridges was the strongest I have ever witnessed in Port Adelaide’s history. Its participants represented a diverse range of interests from business, retail, hospitality, tourism and heritage to residents, seafarers and local industry. The campaign included members of the local Chamber of Commerce who have invested great energy and considerable sums of money to kick-start the revival of the port as a thriving commercial centre. It included local residents, some with links going back generations, and others new to the area, who love the port with a passion and want to make sure the revival happens and happens properly. And it included those who have invested in the emerging tourism industry, including the owners of the river boats, and whose future prosperity depends on the opening bridges becoming a reality. I commend the Deputy Premier and the state government in South Australia on their foresight in making that promise.

The Deputy Premier informed me recently that tenders for the opening bridges have been called and it was reassuring that all seemed to be going to plan. After all, after 40 years, much struggle and many backflips, we in Port Adelaide cannot rest easily until the bridges open successfully for the first time. Unfortunately it has come to light of late that a spanner may have been thrown into the works of the best laid plans. I say ‘may’ because press reports so far do not declare the position of the federal government. These press reports have said that the $80 million project the federal government will contribute under AusLink is available only for the building of fixed bridges, not opening bridges. Personally I cannot believe why a federal government would ever bother to say that in contradiction of the wishes of the Port Adelaide community.

I can only assume that these reports have been prompted by the lobbying of the South Australian Freight Council, a tiny one-person organisation representing interests remote from Port Adelaide. As I said, this is virtually a one-person operation based at Flinders Ports, representing farming and trucking interests around the state of South Australia, with no knowledge or insight whatsoever into the Port Adelaide community. In fact, the South Australia Freight Council could not give a hoot for the future of Port Adelaide’s historic port and its architectural and maritime heritage, or for the interests of local business and residents. The selfishness of the South Australian Freight Council in pressing for fixed bridges is disrespectful, insensitive and contemptuous of the Port Adelaide community. It is regarded as a pariah in the community.

The organisation claims that the sole purpose of the bridges is for the more efficient transport of road and rail freight to Outer Harbor, and it argues therefore that fixed bridges would be more efficient. It is right to say that the bridges are designed for the more efficient movement of freight and the enhancement of South Australia’s export potential. I know that this is the case because I lobbied successfully more than a decade ago for money to build the South Road interconnector, which is effectively stage 1 of the entire transport strategy. It is very important for the efficiency of the port of Adelaide, Outer Harbor and all the export industries of South Australia that the third river crossings are built and this transport connection achieved.

While I have argued for the development of a network to achieve freight efficiencies, it
is not the whole story. There are other interests which are just as valid, just as vital and which must also be considered. Furthermore, these other interests, most of which were represented at the public meeting in April last year and which applauded the Deputy Premier’s decision, have been at the coalface of lobbying for the third river crossing for many years. The interests they represent revolve around the revival of the heritage heart of Port Adelaide for residential, business, tourism, maritime and heritage purposes.

The containerisation of shipping in the 1960s in Port Adelaide ripped the heart out of what was a vibrant waterside city centre, causing the loss of thousands upon thousands of wharf jobs and the consequent collapse of local service and retail industries. The commercial centre of Port Adelaide has since been burdened with the toll of heavy road transport vehicles rumbling through the main streets and over the historic Birkenhead Bridge on their way up the peninsula. This heavy traffic and the accompanying noise and stench have caused further stagnation of the remaining commercial and retail activity around the legendary Black Diamond Corner.

For decades progress passed Port Adelaide by. The area became a commercial backwater, with many shopfronts being boarded over and with stagnant or falling property prices. However, as it turns out and strange as it may seem, that may well have been a good thing for Port Adelaide. It means that the so-called progress experienced in many other places during these decades, unburdened as it was by considerations of heritage and environment, passed Port Adelaide by. Most of the old heritage buildings are still standing, and when the grime is rubbed off and the polish is returned they are as magnificent as they ever were. It would be the best mainland heritage port in Australia. Today Port Adelaide has great potential for sensitive developments and tourism related industries, and it is a future that all of us in Port Adelaide are working very hard to achieve. But that optimism would be lost and all that work wasted if the bridges were to be fixed.

The greatest attraction of Port Adelaide as a destination for residents or tourists is the port itself—the wharf and its surrounds, and the visiting ships which tie up at the wharf. Every time there is a visiting vessel of note, be it a square rigger or a Navy ship, enormous numbers of tourists visit the port and local business benefits—100,000 visitors, $1 million and 50 jobs in the port for a year. It is a good equation. Boats, water and a fascinating maritime history are what the port is really all about. If the bridges were fixed then the only boats that could get into the inner harbour would be a few motor cruisers and a couple of dinghies.

To understand just how destructive fixed bridges would be for Port Adelaide, it is only necessary to stand on the Jervois Bridge—the second river crossing—and look south towards the original site for the Port of Adelaide. The area was once a mass of busy wharves and canals, full of ships and buzzing with commercial activity. Then the government of the day replaced the swinging opening bridge with a fixed bridge, and the entire river upstream of the bridge was strangled of activity. Eventually the port canal was backfilled and replaced with a supermarket, and the original wharves and warehouses left to rot. All that is left now are a few sad pilings from the old wharves and, if the third river crossing were fixed, the current heart of Port Adelaide would face the same miserable future.

The federal government would be wrong in insisting that the $80 million under Aus-Link should be used only for fixed bridges—whether they are fixed or open is a state gov-
government decision, which the federal government should support—as it would be showing no consideration whatsoever for the consequences of that decision for the businesses and residents of Port Adelaide. Those bridges, that infrastructure project, will now last for 80-odd years. It needs to be the right decision.

I call upon the federal government to see sense and allow the funds to be put to the construction of opening bridges. If that cannot be achieved, I urge the state government to reject the offer or to top up Commonwealth funds to make up the difference in cost between opening and closed bridges. I understand that this amount is not great—about $10 million to $12 million, probably less—and that the federal government would have no problem with that approach. The extra cost to the state would quickly be recouped with the consequent resurgence in commercial activity in Port Adelaide.

I am very confident that the state government is responsible enough not to allow such critical infrastructure to be scuttled by a bit of madness considered by a group of people regarded, as I said, as pariahs within the Port Adelaide community. Certainly the people of Port Adelaide will not allow it—their determination to have opening bridges or to stop any bridges at all is as strong as ever. The bridges are to be built; they will be open. If they are not going to be open, they will not be built. That is their mantra. They have been promised opening bridges by the Olsen and Brown Liberal governments and by the Rann government and, one way or another, they expect the promises to be kept.

The state government has displayed great foresight in endorsing opening bridges and in publicly rejecting the noises for fixed bridges coming from the South Australian Freight Council. I commend the state government for that, and I am very confident that common-sense will prevail and that the opening bridges will soon be built. Then we can all look forward to the resurgence in a wonderful, historic Port Adelaide, which will be a place of pride to everyone in this nation.

**Privilege**

Mr King (Wentworth) (5.54 p.m.)—I rise to mention a matter concerning privilege. In recent weeks, I had been made aware that an Internet search for Peter King, the member for Wentworth, automatically referred browsers to another individual. On Friday, after parliament rose, I again checked the search engine for my name on the Web and found that the previous interference had been removed. This result had been found on all searches for my name on the Web for several weeks. I am informed that this removal occurred as a result of a caution issued by the Prime Minister’s office to the individual—who is a candidate for parliamentary election—to cease this intervention in my electorate as not being fair play and asking him to remove his name from all search links to my name on the Web in the interests of fair play.

This, of course, has caused embarrassment in that several of my constituents have complained that their electronic inquiries to me have been diverted or syphoned off to this individual’s web site. That web site contains extensive information regarding my electorate, and it encouraged persons to volunteer their services to that individual, to make donations and to join the Liberal Party—presumably to a branch recommended by the individual.

Let me illustrate my concerns. Many of my constituents use the Internet as a means of communication and often as their preferred means of communication—Wentworth has one of the highest use rates, estimated at 70 per cent of households. Whenever any of my constituents did a search for my name,
Peter King, or for member for Wentworth, the search engine returned approximately 80 pages of results, including three sites with my name linked to them. Of course, not all the results related to me. Yet each of the 80 pages for Peter King contained, as the first and primary reference, the individual’s name and a link to his web site.

This person is not named Peter King, is not the member of this House for Wentworth and acted in this manner without my knowledge or permission. I believe this was a deliberate attempt to confuse the constituency, and in these respects the interference is inappropriate. In my view and in the tentative view of the Clerk, whose advice I sought, it amounted to a potential breach of section 4 of the Parliamentary Privileges Act.

Sponsored links are said to be a form of advertising sanctioned by a service provider, but what they do is provide a web address for a person to lure search engine users away from the object of their original search. So, if a constituent was searching for contact information about me on the Web, the sponsored link page of another individual was appearing at the top of each results page accessed anywhere in the world. A constituent could easily be fooled into believing that the sponsored link site was the correct site on the Web for obtaining information about me. However, this sponsored link web site gives no information from me or about me.

In this parliament, we have recently taken action against misuse of telephones and the Internet. We have restricted the use of annoying telephone marketing calls and hopefully blocked the generation of email spam. I suggest that the sponsored links which I have referred to in this case are yet another form of electronic stalking and deceptive marketing. In today’s world, a member of parliament’s web site is a matter of great significance in communicating with the electors.

I raised the matter with the service providers also and in the media, and for one day this unauthorised link was removed. Suddenly, it then reappeared. Consequently, last Thursday I decided to bring this matter to the attention of the House Privileges Committee. However, as a result of the steps taken by the PM’s office, this became unnecessary. There is, nonetheless, a general and bigger issue and an overriding concern. I take my responsibilities as a member of parliament seriously. To find that another individual is electronically encouraging others who seek my assistance to take their issues to him is a personal attempt to impede me in the course of my public duties on behalf of the people whom I represent here.

Ordinarily, I would let things go as part of the hurly-burly of public life. However, I take a serious view of what has occurred. Firstly, no member of parliament should tolerate another individual diverting constituency queries to the MP to another person who is a pretender to his or her role. Secondly, this is a new example of parliamentary privilege abuse which deserves the attention of the committee. I have been informed by the Clerk of the House and the chairman of the committee that this type of alleged abuse has never been considered by the committee.

Regrettably, this has not been the first occasion on which I have had to put up with such incidents as I have gone about my usual work as a member of parliament. Four weeks ago I had a regular street stall at Bondi Beach interrupted by this individual, who broke up my meeting with local constituents discussing their issues, leading to the termination of the street stall in confusion and uproar. Then a day later I was approached by the individual and verbally attacked at a local surf club in Bondi, my winter swimming club, and told to ‘F... off and get out of my way.’
This followed closely on an article in the local newspaper, the *Wentworth Courier*, speculating about my future intentions as the member and indicating significant support in the community for me to stand again. I am also aware of recent complaints by some constituents that expressions of support for me have led to telephone calls from the individual, threats of potential expulsion from the Liberal Party and other abuses. I have come to the conclusion that the interference and intimidation to which I have been subjected has been a sequential campaign and has the effect of amounting to an improper interference with the way in which I am able to discharge my duties as a member of the House.

I regret to say that I am experiencing a campaign which I can only conclude to be deliberate from someone who declares himself to be a candidate, seeking the endorsement of the electors as the member in the next parliament. In doing so, he has taken every opportunity to place himself between the electors and me, whether the communication means is personal or electronic or some other means of communication. As such, the significance goes beyond my own circumstances and raises important matters of principle that apply to all members of the House and all who would aspire to be members. I point out to the House that I have not acted precipitately or out of rancour. I had each incident minuted with the Clerk of the House, who advised me of the potential claims for the contempt of the parliament and the manner in which to deal with them. In my view there is no excuse for stalking or harassment in any context, whether in the name of campaigning for political office or otherwise.

I do not believe that a member of parliament should have to put up with such behaviour, especially in his first term. If it is acceptable in the business life of this nation, I am sure that honourable businessmen too would find such conduct unacceptable. I raise this matter today, firstly, because I trust that I have seen the back of the conduct and, secondly, because it raises the bigger and unresolved issue of whether, in the age of the Web, electronic interference in the unimpeded and free flow of information and communications between constituents and members of parliament—in particular, the use of search engines and other electronic means leading to the diversion or syphoning of queries—is acceptable.

I believe I have been a hardworking, effective and conscientious member of parliament. From the letters, emails and phone calls I have received, I have ample support for this contention. In all the circumstances, I do not ask for a reference to the Privileges Committee, but what I do suggest is that the question of the potential diversion of a member’s resources and constituent queries to another web site should be investigated at some stage by the committee.

Question agreed to.

**PARLIAMENTARY SUPERANNUATION AND OTHER ENTITLEMENTS LEGISLATION AMENDMENT BILL 2004**

Consideration of Senate Message

Message received from the Senate returning the bill and acquainting the House that the Senate does not insist upon its amendments disagreed to by the House.

**BILLS RETURNED FROM THE SENATE**

The following bills were returned from the Senate without amendment or request:

- Tourism Australia (Repeal and Transitional Provisions) Bill 2004
- New International Tax Arrangements (Participation Exemption and Other Measures) Bill 2004
- Aged Care Amendment Bill 2004
ANTI-TERRORISM BILL 2004
Consideration of Senate Message
Bill returned from the Senate with amendments.
Ordered that the amendments be considered at the next sitting

TOURISM AUSTRALIA BILL 2004
Consideration of Senate Message
Bill returned from the Senate with amendments.
Ordered that the amendments be considered forthwith.

Senate’s amendments—
(1) Clause 12, page 8 (line 23), omit “4”, substitute “6”.
(2) Clause 14, page 9 (line 24), at the end of subclause (1), add:
; (n) Australian indigenous tourism or culture.

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (6.04 p.m.)—I move:
That amendments be agreed to.

On Friday, 18 June 2004, the Senate agreed to two amendments to the Tourism Australia Bill 2004 and the Tourism Australia (Repeal and Transitional Provisions) Bill 2004. The purpose of these bills is to establish Tourism Australia, which is a key element in the delivery of the coalition government’s $235 million tourism white paper, and to repeal the Australian Tourist Commission Act 1987.

The effect of the Senate amendments will be to increase the proposed size of the board of Tourism Australia from eight to 10 and to add the skill in Indigenous tourism or culture to the pool of skills required for suitable appointees to the board of Tourism Australia. This unique tourism product must be carefully nurtured and managed to ensure that both domestic and international visitors alike have an opportunity to learn about Indigenous culture in Australia. Accordingly, the government supports the Senate amendment dealing with the skills in Indigenous tourism or culture—that is, we support the amendment to clause 14(1) of the Tourism Australia Bill 2004. The government also supports the Senate amendment to clause 12(e) of the Tourism Australia Bill 2004, aimed at increasing the overall size of the Tourism Australia board by two, to a total of 10 members. These amendments will allow the board to have a broader expertise base in the areas outlined in clause 14 of the Tourism Australia Bill 2004.

I would like to acknowledge the constructive contribution of the ALP and the Australian Democrats to the Tourism Australia legislation. I would also particularly like to thank Senators Kerry O’Brien and Aden Ridgeway for facilitating the passage of the bill through the Senate. I would also like to thank the Prime Minister and his staff, and in particular Hellen Georgopoulos, my ministerial colleagues and the coalition’s Friends of Tourism members for their ongoing support of the tourism industry and the white paper process, especially during the development of the legislation to establish Tourism Australia. I also commend the Australian tourism industry for its contribution to the implementation of the tourism white paper and its role in the development of a long-term, sustained and profitable growth industry.

The Tourism Australia Bill 2004 and the Tourism Australia (Repeal and Transitional Provisions) Bill 2004 signify the beginning of a new era in government-industry collaboration in tourism. The passage of these bills through the parliament will enable Tourism Australia to be established and will facilitate the implementation of the tourism white paper, which is the most far-reaching reform and resourcing package of the tourism indus-
Mr MELHAM (Banks) (6.08 p.m.)—I rise to speak briefly on the Tourism Australia Bill 2004 and the Tourism Australia (Repeal and Transitional Provisions) Bill 2004. As I remarked when the Tourism Australia Bill 2004 was originally tabled, it is largely the result of the new-found professionalism of the tourism industry’s advocacy bodies. They are to be congratulated on their input into the tourism white paper and these bills. I say that these bills and the white paper are largely the result of the industry’s input for we know well that elements of the package have been designed by the government for the benefit of the government rather than the industry.

As part of our diligent consideration of legislation, Labor initiated an inquiry by the Senate Economics Legislation Committee into the provisions of the Tourism Australia Bill. The outcome of the inquiry was that Labor undertook to move a number of amendments if needed and determined to move another. At the time of the hearing, there was great concern amongst the staff of the Bureau of Tourism Research and the Tourism Forecasting Council that they would be severely disadvantaged by the move from the public sector to the new statutory authority, Tourism Australia. Labor undertook that, if required, we would move an amendment to protect those staff. I am, however, happy to report that, under pressure from Labor and the CPSU, the government has now provided transfer and working conditions suitable to affected staff and, as such, that amendment is no longer required. I congratulate the CPSU and Labor shadow minister for tourism, Senator O’Brien, for the fine job they have done in looking after the interests of these staff.

Also as part of Labor’s diligent consideration of these bills, we took on board concerns from the South Australian government regarding the reappointment of board members together with ensuring the regard Tourism Australia must have for state and territory marketing plans and activities. After discussions between Labor’s Senator O’Brien, Minister Lomax-Smith and the office of the federal minister, Labor has been satisfied that these amendments are no longer required.

The Tourism Australia Bill as originally drafted made no provision for Indigenous tourism to be represented on the board of Tourism Australia. The development of the Indigenous tourism industry will encourage greater awareness and understanding of Australia’s unique and enduring Indigenous culture and permit Indigenous communities to enjoy greater economic independence. Therefore, Labor formed the view that such an omission from the bills and the board was untenable.

After extensive negotiation with Indigenous tourism leaders, Minister Hockey’s office and the Australian Democrats, I am pleased to say that Labor’s amendment to rectify this situation has been accepted by the government in the Senate. Labor’s amendment provides the Minister for Small Business and Tourism with the capacity to appoint members to the Tourism Australia board based on their Indigenous tourism or cultural knowledge experience. Labor’s amendment will help to ensure that the entire tourism industry benefits from the activities of an organisation whose leaders possess the right mix of skills and experience, including knowledge of Indigenous tourism or culture. These are better bills on account of Labor’s amendment and I think that, as such, Tourism Australia will be an organisation better able to serve the entire Australian tourism industry. I commend Labor’s amendment to the House.
The DEPUTY SPEAKER (Hon. D.G.H. Adams)—The question is that the amendments be agreed to.

Question agreed to.

PARLIAMENTARY ZONE

Approval of Proposal

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary to the Minister for Transport and Regional Services) (6.11 p.m.)—I move:

That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposal for work in the Parliamentary Zone which was presented to the House on 17 June 2004, namely: Program of security enhancement projects around Parliament House.

This motion proposes to improve the security of Parliament House through a program of three security enhancement projects. These projects will provide additional security measures that will reduce the risk of attack on Parliament House using vehicle-borne explosive devices. The program of projects includes Parliament Drive security barriers, car park changes at the ministerial wing end of the building and work on the ministerial wing windows.

The Parliament Drive works involve construction of a low wall around the inside of Parliament Drive to prevent unauthorised vehicle access to the building, substantial redevelopment to the parade ground to prevent unauthorised vehicle access to the forecourt and the installation of retractable bollards to all slip roads to allow only authorised vehicle access to parliament’s entrances.

The ministerial wing car park works involve the closure of the ministerial wing ground level car park, which currently allows unchecked parking within seven metres of ministerial wing windows, and consequential works to the Melbourne Avenue car parks to restrict access to pass holders and Commonwealth vehicles and to compensate for the loss of parking spaces outside the ministerial wing.

The ministerial wing windows works involve the installation of silicon sealant to prevent sheets of window glass from projecting into the office areas on the ground floor and first floor windows and a shatter-resistant film to the second floor windows of the south-facing ministerial wing windows. The estimated cost of the works is $11.7 million. These funds have been provided in the Department of Parliamentary Services budget for 2004-05.

Projects are scheduled to be completed by 31 March 2005. This will enable the existing white plastic vehicle barriers to be removed. Unscreened pedestrian access to the roof of the building will continue to be prevented through the installation of a temporary fence and the continued deployment of significant numbers of APS officers.

Works approval from the National Capital Authority has been granted. Under section 5 of the Parliament Act 1974 the presiding officers are responsible for works within the parliamentary precincts and the Minister for Local Government, Territories and Roads is responsible for other works in the parliamentary zone. Accordingly, this motion is moved on behalf of the Speaker and President. I commend the motion to the House.

Question agreed to.

BUSINESS

Rearrangement

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (6.15 p.m.)—I move:

That business intervening before order of the day No. 24, government business, be postponed until a later hour this day.

Question agreed to.
TRADE PRACTICES AMENDMENT (PERSONAL INJURIES AND DEATH) BILL (No. 2) 2004

Consideration of Senate Message

Consideration resumed from 11 February.

Senate’s amendments—

(1) Schedule 1, item 9, page 6 (line 9), before “1A”, insert “1,”.

(2) Schedule 1, item 9, page 6 (line 14) to page 7 (line 2), omit section 87F, substitute:

87F Basic rule

(1) Subject to subsection (3), a court must not award personal injury damages in a proceeding to which this Part applies if the proceeding was commenced:

(a) after the end of the period of 3 years after the date of discoverability for the death or injury to which the personal injury damages would relate; or

(b) after the end of the long-stop period for that death or injury.

(2) Subject to subsection (3), this diagram shows when this Division prevents an award of personal injury damages.

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<thead>
<tr>
<th>Have 3 years elapsed since the date of discoverability?</th>
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<tr>
<td>No</td>
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<td>Has the long-stop period expired?</td>
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<tr>
<td>No</td>
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<tr>
<td>Personal injury damages may be awarded</td>
</tr>
</tbody>
</table>

(3) In a proceeding in respect of the death of or personal injury to a person resulting from smoking or other use of tobacco products to which this Part applies:

(a) a court must not award personal injury damages if the proceeding was commenced after the end of the period of 3 years after the date of discoverability for the death or injury to which the personal injury damages would relate; and

(b) subsections (1) and (2) do not apply.

(3) Schedule 1, item 9, page 10 (after line 19), before section 87L, insert:

87KA Application

This Division does not apply to any proceeding in respect of the death of or a personal injury to a person resulting from smoking or other use of tobacco products.

(4) Schedule 1, item 9, page 14 (after line 2), before section 87U, insert:

87TA Application

This Division does not apply to any proceeding in respect of the death of or a personal injury to a person resulting from smoking or other use of tobacco products.

(5) Schedule 1, item 9, page 15 (after line 9), before section 87W, insert:

87VA Application

This Division does not apply to any proceeding in respect of the death of or a personal injury to a person resulting from smoking or other use of tobacco products.

(6) Schedule 1, item 9, page 17 (after line 32), before section 87Y, insert:

87XA Application

This Division does not apply to any proceeding in respect of the death of or a personal injury to a person resulting from smoking or other use of tobacco products.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (6.15 p.m.)—I move:

That the amendments be disagreed to.

The Trade Practices Amendment (Personal Injuries and Death) Bill (No. 2) 2004 is part of a national framework to support the state
and territory reforms to the law of negligence. The approach being taken was developed as a result of extensive consultation and hard work by the Australian, state and territory governments. The reforms are supported by all jurisdictions and have been applauded by industry and stakeholders both here and overseas. In fact, reforms undertaken to implement this framework have already begun to make liability insurance more affordable and available to community groups and businesses throughout Australia.

The government has worked with state and territory ministers, industry representatives and other key stakeholders to develop a national resolution. The bill before the parliament today is a key component in implementing this resolution. The bill draws on the findings of an expert panel established at the May 2002 ministerial meeting on public liability insurance and chaired by the Hon. Justice David Ipp. The panel was established to assist governments to formulate a consistent and principled approach to reforming liability laws. The Senate moved a number of amendments to the legislation which are inconsistent with the panel’s findings and which the government does not accept.

Amendment (1) incorporates the misleading and deceptive conduct provisions into the 2004 bill. This amendment proposes to extend the application of measures contained in this bill to conduct in contravention of part V, division 1, of the Trade Practices Act 1974. This would have the effect of allowing actions for personal injuries and death in contravention of part V, division 1, of the act, subject to the proposed thresholds, caps and limitations regime contained in this bill. This amendment is contrary to the recommendations of the review of the law of negligence, which reflected concerns for the no-fault dimension of part V, division 1, that this part of the act was not originally intended to apply to claims for personal injuries and death.

The scope for framing claims for personal injuries or death would remain in the misleading and deceptive conduct provisions if this amendment were accepted, allowing the potential for actions under this part of the act to undermine state and territory civil liability reforms.

Amendments (2) to (6) relate to special arrangements for claims for personal injuries caused by tobacco use made under the Trade Practices Act 1974. These amendments are not supported for a number reasons. The Australian government is already pursuing a broad range of policies in relation to tobacco control appropriate to its jurisdiction. The approach suggested by the Senate lacks any basis in principle which would justify exempting tobacco related injuries from national benchmarks on damages and limitation of actions but not other injuries. There is no principal reason why special arrangements should apply for injuries caused by the use of tobacco products. Additionally, while recent civil liability law reforms in a number of states and territories have been framed so as to not apply to tobacco claims, there has been no clear consensus between states and territories as to this approach. Accordingly, the House of the Representatives should not accept these amendments.

Mr FITZGIBBON (Hunter) (6.19 p.m.)—While I do not have responsibilities for this particular package, the opposition certainly found some inconsistencies in the way the government addressed these public liability issues under various parts of the Corporations Law. We are matching the states’ capping regime in some areas but not in others. I think that is the basis of the Senate amendments—I am not sure. Given that the shadow minister responsible is not able to be here for reasons of illness, I make the point that Labor stands by its amendments as sought in the Senate.
The DEPUTY SPEAKER (Hon. D.G.H. Adams)—The question is that the amendments be disagreed to.

Question agreed to.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (6.20 p.m.)—I present the reasons for the House of Representatives disagreeing to the amendments of the Senate and I move:

That the reasons be adopted.

Question agreed to.

EXCISE AND OTHER LEGISLATION AMENDMENT (COMPLIANCE MEASURES) BILL 2004

Second Reading

Debate resumed from 25 March, on motion by Mr Ross Cameron:

That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (6.20 p.m.)—The Excise and Other Legislation Amendment (Compliance Measures) Bill 2004 will assist the ATO in its efforts to ensure compliance with Australia’s excise regime. I suspect that we do not always give sufficient weight to these issues in this place, but the fact is that large benefits can be made from selling excisable goods on the black market. It is a lucrative activity for criminal elements in our society. Excisable goods are currently subject to a stringent regime to prevent revenue leakage. For example, a licence is required to produce and store excisable goods. However, people are always looking for ways to avoid their taxation obligations. It is perhaps as big a problem as income tax avoidance, but with a more violent tinge: for example, chop-chop—or illegal tobacco—represents a sizeable component of the tobacco market in Australia and a huge area of revenue leakage for the government. It also represents a major security issue for our tobacco farmers.

The bill includes a number of measures to enhance the compliance provisions of the excise regime and simplify the administrative arrangements. This will help the ATO administer the excise regime. Schedule 1 of the bill enables the Commissioner of Taxation to control the delivery of excisable goods for export through issuing permits and, if the commissioner is not satisfied that the goods have been exported or otherwise accounted for, require payment of the excise duty equivalent. At present, excisable goods may be moved from excise-licensed premises for export if they have authority from Customs. This creates a dual system for excisable goods in which the Commissioner of Taxation is responsible for excise collection but Customs has jurisdiction when goods are for export. Providing the Commissioner of Taxation with complete control over excisable goods will improve his ability to enforce the law and protect revenue.

Schedule 2 of the bill amends the Excise Act 1901 to include tobacco seed and plants in provisions requiring the Commissioner of Taxation’s permission to move tobacco leaf. In addition, it introduces penalty provisions where tobacco seed, plant and leaf for export are not moved within a time period specified in the permission for such movement. The illegal tobacco trade represents a major revenue risk in Australia. While tobacco seed, plant and unprocessed leaf are not excisable, the Excise Act 1901 does provide significant controls over their production, dealing and storage. The amendments in this schedule will further enhance the ability of the commissioner to stamp out the illegal tobacco trade and protect revenue.

Schedule 3 of the bill will expand the class of seized goods that can be immediately disposed of following seizure, and provides for the retention of samples. However, the bill also enables owners to recover the market value of the goods disposed of if it is
shown that the grounds for seizure and disposal did not exist. These amendments are largely aimed at destroying seized tobacco and illegal alcohol, which currently do not automatically fall within the category of goods that can be destroyed following seizure.

Schedule 4 of the bill will allow the disclosure of licence, permission and remission arrangements to a second person where disclosure is considered necessary to ensure compliance with the requirements of the Excise Act. The Act has a comprehensive licensing system for the production and dealing of tobacco and the manufacture and storing of excisable goods generally and provides for licences to be suspended or cancelled under certain circumstances. Currently, the confidentiality provisions of the Act prevent the ATO from disclosing information about excise licences and permissions to a second person also dealing with the goods under the excise legislation.

Information on whether a person is licensed or has permission to deal with particular goods or quantities of goods is at times a prerequisite for a second person to comply with the provisions of the legislation. For example, if a tobacco grower has lost their licence to legally grow tobacco then a potential buyer of that tobacco needs to be informed so that they do not inadvertently buy illegally grown tobacco. The amendments would ensure that in these circumstances the ATO could pass on relevant information to a second person. Labor is happy to lend its support to the bill.

Mr PROSSER (Forrest) (6.26 p.m.)—I rise to speak today in support of the Excise and Other Legislation Amendment (Compliance Measures) Bill 2004. This bill proposes to amend the Excise Act 1901 to provide the Australian Taxation Office with greater compliance provisions for revenue protection and improve administrative arrangements in respect of the payment of excise.

The bill contains four groups of amendments, each contained in separate schedules to the bill. The first such schedule deals with the delivery of excisable goods for export. The fundamental control of the Commissioner of Taxation over all excisable goods is provided for in section 61 of the Excise Act 1901. Other controls include permission requirements and offences for contravening those requirements over the movement of excisable goods on which duty has not been paid. However, movement of excisable goods for exportation may occur without the permission given under excise legislation.

At present, excisable goods on which duty has not been paid may be moved away from excise licensed premises for exportation on the basis of an authority to deal with the goods provided by Customs. This authority is taken as permission to move the goods from an excise licensed place to a place prescribed under the Customs Act 1901. This means that excisable goods pass out of the Commissioner of Taxation’s controls upon delivery of the goods to a Customs licensed premises. Accordingly, the Australian Taxation Office is unable to apply the usual compliance and revenue protection measures to the movement of these goods that it may provide to all other movements of excisable goods.

The current arrangement dates back to the time when Customs administered both customs and excise legislation. With the separation of these functions it is necessary to update the provisions to ensure adequate compliance arrangements. The diversion of excisable goods from export, particularly tobacco products, is considered to be high risk. There have been instances where excisable goods for export have not reached the place of export or have been diverted from within
the place of export. In other cases, the goods have not reached their overseas destinations and it is unclear to where they have been diverted. Containers have been found empty or not containing the goods as described.

The proposed changes will therefore specify that the commissioner may instead give permission for the delivery for exportation and will enable excisable goods for which an export authority has been withdrawn to be returned to a specific place and provide that this movement must be in accordance with the commissioner’s declaration. The amendments will also extend the provisions that allow the commissioner to demand payment of excise where a person has not kept the goods safe or cannot otherwise account for the goods—that is, the commissioner will have the power to recover excise in relation to goods that go missing without evidence of where they were exported to.

These amendments are aimed at persons who attempt to avoid payment of excise by exploiting weaknesses in the ATO’s ability to control the movement of such goods that are or were ostensibly intended for export. The weakness relates to movements of goods that are legislatively under ATO control but are actually authorised by the Australian Customs Service. Such authorisations originate from the fact that Customs used to administer both customs and excise legislation, whereas excise, as I mentioned, is now administered by the ATO.

The second group of amendments applies specifically to the movement of tobacco seed, plant and leaf and aims to provide consistency in provisions and offences relating to movement of the range of tobacco products. Tobacco manufactured as specified in the Excise Tariff Act 1921 is an excisable good and is dealt with in the excise legislation under the arrangements applying to excisable goods. However, the illicit trade in tobacco is considered a major revenue risk and, while unprocessed tobacco seed, plant and leaf are not excisable, the Excise Act 1901 provides considerable controls on their production, dealing and storage, which must be carried out under an excise licence.

The Excise Act 1901 requires permissions for movement of tobacco leaf and applies substantial penalties, including imprisonment, for offences of unauthorised movement of tobacco leaf and unlawful buying, selling and possession of tobacco seed, plant and leaf. The Excise Act currently provides that permission is required from the commissioner for movement of tobacco leaf only. The proposed changes will include tobacco seed and tobacco plant in these provisions. The changes also provide for an offence where tobacco seed, plant and leaf delivered for export are not exported within a specified time. I note that new section 44(8) adds a provision making it an offence where a person has permission to deliver tobacco seed, plant or leaf for export and the tobacco seed, plant or leaf is not exported within 30 days—or other period specified in the permission—after the day of delivery, and the person fails to return the seed, plant or leaf to a place specified in the permission for its return within five days after the end of the 30 days or other specified period.

The third group of amendments proposes to extend the criteria for the immediate disposal of seized goods and to enable evidentiary certificates to be used in proceedings in relation to those goods. These changes will streamline administration of excise prosecutions by removing the costly need to store large quantities of illegal products, while providing appropriate safeguards for the rights of the owners.

The Excise Act enables the commissioner to destroy seized goods if they are perishable and constitute a danger to public health.
However, in most cases seized excisable goods or tobacco seed, plant or leaf do not satisfy both the perishable and danger to public health criteria. Seized forfeited goods may constitute a public health risk only if returned to the owner or the market. They may only be perishable without special storage arrangements. For example, tobacco is highly perishable but can be preserved with special storage arrangements. Goods may be neither a public health risk nor perishable but cannot be returned to the market as they do not meet applicable quality standards. For example, alcohol extended with other products or illegally blended petroleum that would not meet the relevant food or fuel standards respectively do not meet the current criteria for immediate destruction. Such goods are generally not perishable and whether or not they are a danger to public health depends on the contents. However, they cannot be appropriately returned to the market. The proposed amendments therefore alter the provisions to provide for immediate destruction where the goods are perishable or do not meet any applicable quality standard or the goods, if made available to the public, would constitute a risk to public health or public safety.

However, where the goods are destroyed, provisions will be made for sampling and recording of goods, appointment of an analyst and use of evidentiary and analyst certificates in proceedings. Also, to protect the rights of the owner of goods, the proposed amendments will include a provision that ensures the owner has a right to recovery of the market value of the destroyed goods where a court is satisfied that the grounds on which the goods were destroyed did not exist, and in such cases compensation will be payable.

The fourth group of amendments relates to confidentiality and aims to improve compliance arrangements by enabling licensing information about a person to be disclosed to another person where it is necessary in order for that other person to comply with the law. The Excise Act 1901 has a comprehensive licensing system for the production of, and dealing in, tobacco and the manufacture and storing of excisable goods generally and provides for licences to be suspended or cancelled in certain circumstances. In addition, through permission requirements and offences for contravening these requirements, there are controls over the movement and possession of tobacco seed, plant and leaf and other excisable goods. Licences or permissions may be subject to certain conditions such as restriction to specified quantities of goods.

The excise legislation confidentiality provisions prevent the Australian Taxation Office from disclosing information about excise licences and permissions to a second person also dealing with the goods under the excise legislation. Information on whether a person is licensed or has permission to deal with particular goods or quantities of goods is at times a prerequisite for a second person to comply with the provisions of the legislation. The problem is illustrated in the illicit trade in tobacco, which poses a significant risk to the revenue base. It is an offence for a person to buy tobacco seed, leaf or plant from an unlicensed producer, manufacturer or dealer. However, the ATO is unable to provide information about licence status and conditions.

Therefore, a tobacco cooperative with a dealer’s licence cannot be advised whether a member is licensed as a producer or when a member’s licence is cancelled or suspended. A tobacco grower cannot be informed if the company to which tobacco is to be sold is licensed. Where a licence is cancelled, it may be necessary to amend or cancel permissions held by suppliers for the movement of goods to the person whose licence has been can-
cancelled. Currently, the ATO cannot give the permission holder information relating to the cancelled licence, despite the fact that it will need to amend or cancel the permission.

There are also disclosure issues around remission certificates, which are administrative documents stating that the holder may obtain quantities of excisable goods from a supplier according to the conditions set out in the regulation. These conditions normally allow the holder to obtain goods at concessional or duty-free rates—for example, alcohol for industrial purposes. A supplier to a remission certificate holder may need to be informed that a remission certificate has been amended or cancelled. Therefore, the proposed changes will allow disclosure of information about the licence of a person to another person who is dealing with the goods. The disclosure will be permitted when the information is necessary to ensure that the second person’s dealings will not contravene provisions of the Excise Act. The various measures contained in this bill assist the effectiveness of the ongoing campaign by the ATO against the illegal tobacco sector and require a greater accountability of persons involved in the tobacco and export sectors. I commend the bill to the House.

Mr KATTER (Kennedy) (6.38 p.m.)—Neither of the previous speakers, even though they were very erudite about the Excise and Other Legislation Amendment (Compliance Measures) Bill 2004, referred to the very serious nature of what is going on in the tobacco industry in Australia as far as revenue goes. Tobacco manufacturers in Australia claim that $600 million a year is being lost in revenue to the tax department. I confronted the two senior officers of the tax department with that figure and they said, ‘It is less than that now,’ which was of course an admission that it was that figure at the time. I said, ‘Would you like to speculate as to what the figure is now?’ They would not, but they said, ‘It is less than that now.’

I must say that I inferred from the tone of their statements that many hundreds of millions of dollars are still being lost to Australian revenue. I notice one of the public servants shaking their head. You can shake your head all you like, but the industry and the manufacturers have produced unassailable figures which show that either suddenly there has been a huge drop in the consumption of tobacco in Australia—which has not occurred; no-one claims that—or someone else is supplying the tobacco; it is not being supplied legally. Only those two alternatives are available, and no-one is denying the huge drop in sales of tobacco as far as the revenue for the federal government is concerned. In other words, the legal trade of cigarettes has dropped suddenly and abysmally from the point of view of tax revenue for the Australian government.

When you are losing hundreds of millions of dollars one would think that you would get off your backside and act fairly expeditiously to try to plug up the hole that exists. If they had asked the people who know about the industry and the forces that are at work inside the industry or if they had listened to us instead of blindly following their mad, free market ideology then they would have known that they could have gone down the pathway of forcing the tobacco companies to take Australian content. The situation previously was that there were mixing regulations enforced by an extremely high tariff regime. The government said they were removing the tariffs and, not surprisingly, the tobacco companies removed the mixing regulations, since they could buy the tobacco more cheaply overseas.

If we were talking about this grand ideology providing benefits for the Australian smoking public—and there would be very
few here who would regard that as a laudable target—then it would have been fairly predictable to try to work out a situation in which these farmers could have survived. If you force these farmers into a situation where they have no market for their product—they are on farms far too small to make a living from any alternative crop—then, not unnaturally, given the choice of bankruptcy and the loss of everything they have worked for all of their lives, they might choose another alternative. If some of them have acted outside the law and risked going to jail, they have done that because they love their children and their families very deeply and they are not prepared to face the humiliation of bankruptcy and the trauma and loss that is associated with it. They are not prepared to have their lives blasted after such extremely hard work in Australia.

The situation in the Mareeba area was that a $70 million industry existed and it brought $23 million of taxation revenue to the Australian government. That industry no longer exists. People in this place seem to think that, somehow or other when you wipe out an industry, another industry comes to take its place. I do not want to quote myself here; I will quote General John Grey, who was appointed by this government as the head of the Wet Tropics Management Authority. He delivered a speech to sugar farmers at Gordonvale, and a very excellent address it was. He said that the strongest argument for protection against the extreme green movement would be to look at what has taken place in Mareeba. You can drive for mile upon mile in Mareeba and see what was a productive part of Australia now simply going back to a wilderness. It is not a wilderness covered in natural flora but mile upon mile of weeds—introduced species which are destructive to the fauna and flora of the Australian environment.

That is not me speaking; that is the man appointed as the head of the Wet Tropics Management Authority—a man who is probably respected by both sides of the green environmental argument. He is dead accurate in saying that. That is what these silly people have achieved. And, according to every commentator, they have cheated themselves out of $600 million a year—which may be down to just hundreds of millions a year now. That is what they have achieved. Ask yourself, Madam Deputy Speaker: is that a good outcome? We put to these people the question: do you think that it is going to be a good outcome to force law-abiding, hard-working farmers into actions which are illegal? Do you think it is good to wipe out a whole industry that is creating meaningful employment for the people of Queensland and Australia? Do you think that is a good outcome? Do you think that destroying another industry and losing the revenue coming into the Australian taxation system is a good idea? Is having to import this product into Australia from offshore a good idea?

For those representing manufacturing areas who are sitting around smugly, there is no way that those factories will not close down and go overseas. It is really quite stupid to import tobacco from a state like Texas in the United States, from Zimbabwe or from China—where, I am told, most of it is coming in from and they can produce it infinitely more cheaply than we can. The 2,000 Australian people that were involved in this industry will vanish without trace and get put onto the scrap heap. We are averaging one suicide a month in these areas, thanks to what the government has done to this and other industries. Has this been a good outcome for this country?

This is taking place on the Atherton Tablelands and in the surrounding coastal areas. Action by the previous Hawke and Keating governments and by the current government
has virtually closed the entire fishing and timber industries of North Queensland. It has closed the rice industry of North Queensland. It has pushed the dairy, grape and peanut industries into a situation where one wonders whether they can survive. When the maize industry in Atherton was deregulated, the maize board collapsed, losing tens of millions of dollars for the farmers in that area and driving many of them into bankruptcy. It was only because of the most extreme action taken by people in this House that we were able to get reversed the decision taken by the current Leader of the National Party in relation to the chicken meat industry of Australia. It is a miracle that we had that decision reversed and it is standing upright at the moment.

We deregulated the wool industry and, to quote Alan Jones, we now have only half a wool industry—an industry that just some 15 years ago, in 1989, provided this country with one-tenth of its entire export earnings. I thought that Mr Jones was exaggerating but I went to the library and found that he was dead accurate. We had 200 million sheep in Australia and now we have 100 million. My area had a lot of sheep. There are hardly any sheep at all left in North Queensland now and they will never come back again. No-one is ever going to put out the huge capital expenditure to get sheep back again.

Madame Deputy Speaker, at the time of speaking to you, it is no news to anyone in this House that the great and mighty sugar industry of Australia—one of our 10 major export-earning industries for almost all of this country’s history—is simply collapsing. The government’s solution to that problem is to deregulate the industry. Do they seriously think farmers are going to stay in an industry where they are now at the tender mercy of the Colonial Sugar Refining Co. or Bundaberg Sugar, which is foreign owned? Of course they are not.

The Mareeba area farmers switched from tobacco to sugar farming. They walked straight into a haymaker which has taken their heads off. It is one of the worst hit industries in Australia. The bigger farmers who had enough land to be able to switch industries borrowed a hell of a lot of money to move from tobacco into sugar, thinking that it was a great industry—it had existed for some 130 years in this country—and that nothing could happen to it. But, in this case, thanks to government inaction on ethanol and thanks to actions by this government in removing the tariff, some $100 million a year has been taken away from us. I think the banana industry battle will be fought in the High Court and I think the government will be humiliated in the High Court—I most certainly hope they will be.

What did the United States do to their tobacco industry? Did they take this sort of action? Whilst we remove the tariffs in this country, the United States put up the tariffs in theirs. They passed legislation increasing their support levels for tobacco farmers to protect them against Zimbabwe and China where poor people work for nothing. They were not going to open their doors and force their people to work for nothing, so they increased their protection levels.

The Minister for Agriculture, Fisheries and Forestry, Mr Truss, is on record as having said it was disgraceful the way the United States government looked after their farmers—and I said, ‘That’s one thing you’ll never be accused of, that’s for certain.’ That’s a problem we won’t have with Mr Truss—the problem that created this revenue loss of, even on the department’s admission, many hundreds of millions of dollars a year. Every single year we are losing hundreds of millions of dollars, and decent hardworking people have put themselves in jeopardy of going to jail, and a lot of them, when this sort of thing comes upon them, take the very
sad way out. We now have one suicide a month taking place. Let that be on the conscience of those people who make the decisions in this place.

This illegal tobacco is called chop chop. We approached the department about going to the tobacco companies. If you do not want to breach your ideology—and it does not matter that people are shooting themselves, so long as you can keep pure with your ideology; that does not worry you at all—at least let’s be sensible about this. If you want to stop the bleeding and the loss of these hundreds of millions of dollars a year, then give these people a way to earn a living legally. There was no chop chop around before the government went down this pathway—or at least not that I have heard about, and no one has ever claimed there was. Of course, the figures being released by the manufacturers clearly indicate this as well.

We said, ‘Use a health levy. Put a health levy on cigarettes and put the tariff back on.’ But Mr Keating—one of the most monumental disasters that ever befell this nation, with his introduction of national competition policy and everything, all of which has been carried on by this government, so they cannot abuse him or criticise him—bound us to introducing zero tariffs in all agriculture, so that legally we cannot put a tariff back onto any agricultural sector. No other country in the world did this. It was a crazy decision. But there are a few isolated examples, and this is one of them, where a 16 per cent tariff is still available.

So the government has two levers they can use to lean upon the tobacco manufacturers to reinstate this industry. They can reinstate a voluntary code of mixing regulations, where they take 40 per cent to 50 per cent of Australian product into the cigarettes that they are manufacturing in this country. The health levy and the 16 per cent tariff are the levers that they could use to get these people to come to the table. If, for reasons best known to themselves, they are determined to close down farmers in Australia, they could use the health levy to buy these people out—to give them a decent amount of money so that they could retire out of the industry and not be forced down this illegal pathway. Either of those alternatives—providing them with an adequate buyout scheme or forcing the tobacco companies to go to mixing regulations—would have allowed those people to have avoided the horrific circumstance of having to go to illegal activities—having to produce chop chop. That is why this legislation is being passed this evening.

The government is naive beyond belief in the actions that they propose to carry out. There was another country in another part of the world that decided to ban alcohol. I remember the famous words of the great American movie actor, Will Rogers, when he was interviewed as he went to vote in the American congress on prohibition—he was a congressman. They said, ‘Congressman, how do you think the vote will go today?’ He said, ‘I think they’ll vote dry all right, but I’m pretty sure they’ll still drink wet.’ Of course, he was dead right. If there was one really terrible disaster in the United States which created organised crime and many other horrific outcomes—the corruption of their political system—it was prohibition. It was naive in the extreme to think that you were going to stop people from drinking, and it is naive in the extreme to believe that you can stop people from smoking. Of course, the cost of smoking has gotten so horrifically high that the temptation is always there to have a chop chop industry. But the government precipitated it; the government pressed the trigger. The government pulled the lever that created the chop chop industry. It was not there until the government took away
these people’s right to make a decent living for themselves.

We are here today to try and do the impossible: to stop the chop chop industry. The people that know how to grow tobacco in Australia are tobacco farmers—now ex tobacco farmers. You might want to know what those farmers are doing. A large number of them are well on in years. They have simply gone into the town of Mareeba or other places. They have left their farms, waiting for the payment of $7,000 or $8,000 an acre. That is what they have put them on the markets for, but of course they will never get that amount of money for them. I would like to say they are lying fallow, but they are not lying fallow at all. They are growing weeds. We can see the complete deterioration of some 4,000 hectares of what was once a beautiful, productive part of Australia. You used to drive through green fields for 20 or 30 miles, to use the old measurements, and now you drive through what is a national disgrace.

So here is a government that, like the previous government, has put forward an ideology and a system of policies—globalisation, privatisation and competition policies, or the three ‘-tions’ as they refer to them up north. There is no judging these policies on their outcomes. If you want to judge them on outcomes, you should have a look at the destruction of the rice, dairy, grapes, peanuts, maize, wool, sugar and banana industries—and you will get around to knocking off the poultry industry in the long term. Every policy should be judged on its outcomes, and that is what is not happening in this place.

(Time expired)

Mr McGAURAN (Gippsland—Minister for Science) (6.59 p.m.)—I wish to thank the members who have contributed to this debate on the Excise and Other Legislation Amendment (Compliance Measures) Bill 2004. The member for Kennedy has broadened the dimensions of the particularities of the bill before the House to take into account the decline of the tobacco industry of North Queensland. Debate on a bill that deals more specifically with protecting the revenue and giving powers to the Australian Taxation Office of control over tobacco and to regulate any unauthorised movement of these goods has been expanded by the honourable member into a wider debate and discussion about issues of free trade, protection and the like. Time will not allow me to engage with him in as fulsome a manner as that with which he has projected his views this evening.

There are a few facts, though, that do need to lie on the table, I feel. The tobacco industry in Queensland has been in decline for several decades. In 1970 there were 822 tobacco quota holders; 10 years later, in 1980, the number had fallen to 690; by 1993, some 13 years later, it was down to 371; and it was down to 150 tobacco quota holders by the year 2000. The tobacco growing industry in Australia is a comparatively small industry, concentrated in the Myrtleford area in Victoria and the Atherton Tableland in North Queensland. I am told—at the risk of angering the honourable member for Kennedy—that the Victorian producers produce higher quality tobacco for a much lower price than the Queensland producers.

Mr Katter—You are right about my getting angry.

Mr McGAURAN—By way of interjection he does agree that I have angered him. British American Tobacco Australia ceased purchasing tobacco from North Queensland growers at the end of the 2002 growing season; Philip Morris Ltd ceased purchasing at the end of the 2003 season. The Department of Agriculture, Fisheries and Forestry advises that there are currently 124 tobacco
growers in Queensland. The 118 growers in North Queensland, who are the responsibility of their local member, the honourable member for Kennedy, sadly no longer have a legal market. The six growers in south Queensland still have a market for their tobacco. In the absence of a market for your tobacco and, given that if a crop were allowed to be grown there would be a risk of diversion to an illegal market, licences have not been granted to the 118 growers in North Queensland, so the honourable member accurately and fairly states the decline of the tobacco industry of North Queensland. The reasons for it, I have to impress on the honourable member, are a great deal more complex and longstanding than an issue of liberalised trade alone. The two companies that purchased tobacco leaf in North Queensland say they have withdrawn for commercial reasons.

Mr Katter—It’s cheaper overseas.

Mr McGauran—To a large extent that is true, but I would not want anyone to be left with the impression that the government have abandoned the North Queensland tobacco growers. We have given significant assistance to encourage them to adjust in what has been the inevitable downsizing of their industry. Under the government’s Farm Help program, financial assistance is available to tobacco growers choosing to leave farming. Farm Help provides income support and professional advice. Since 1994, Queensland tobacco growers have also had access to two state-funded adjustment packages, totalling over $42 million; and the $18 million Atherton Tableland Sustainable Regions Program from the federal government has been in place since August 2001. That program recognises the historical importance of tobacco to the area and the structural adjustment issues facing the region.

None of this is of comfort to the honourable member—he will see it as bandaid solutions to overall economic policies that have stripped the tobacco industry of North Queensland of its viability. I do believe that the government’s measures are responsible and necessary to help the tobacco growers adjust. Clearly, if there is no legal market then licences cannot be granted to the growers for fear of illegal usage of that product. But I cannot accept that this situation is due only to policies of liberalised free trade and so on. There are a great many of Australia’s commodity groups, organisations and grassroots farmers who want as free trade as possible—sheep, wool, grains, dairy, beef and many others. So there are differences of opinion about free and liberalised trade even within the agricultural sector as a whole. The speech that the honourable member for Kennedy has just given should be tried out at some of the forums involving those very large, very significant export earners for Australia and for Australian farmers.

It is a complicated and difficult issue at the best of times. Without direct subsidies—and cash payments even—to the North Queensland tobacco growers, it is hard, if not impossible, to see how they could remain viable against even the Victorian tobacco growers, let alone tobacco growers in other countries. Australia enjoys low-cost production relative to many other countries in many commodity areas—coal and liquid natural gas come readily to mind. If we cannot be the world’s lowest-cost producer in each and every commodity, nor can any other country. A government, where an industry or a sector of an industry is in decline, has a moral as well as an economic responsibility to assist the transition, and I believe this government has discharged that responsibility.

Question agreed to.

Bill read a second time.
Mr McGAURAN (Gippsland—Minister for Science) (7.06 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

VETERANS’ ENTITLEMENTS AMENDMENT (DIRECT DEDUCTIONS AND OTHER MEASURES) BILL 2004

Second Reading

Debate resumed from 25 March, on motion by Mrs Vale:

That this bill be now read a second time.

Mr EDWARDS (Cowan) (7.07 p.m.)—The Australian Labor Party supports the Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) bill 2004. Indeed, we cannot understand why it sat on the Notice Paper for a couple of months. Some time ago we indicated to the minister’s office that we supported it and we expected it to have been dealt with before this. The bill is an omnibus bill extending a range of minor benefits. It also makes a number of technical changes. Part 1 of the bill makes provision for direct deductions. This extends the facility of direct deductions from the current limited range of pensions to include disability pensions and war widows pensions. This will mainly benefit those paying rent to state housing authorities and the ATO. This facility has taken far too long to implement, simply because it should have been provided at the same time as pensions were paid directly into bank accounts. As we know, pensions have not been paid by cheque for a long time. This amendment is very convenient to the Commonwealth and it has cut overheads enormously. The electronic loop for veterans, however, has been incomplete for some time. It is only now as a result of this bill that routine deductions can be made.

It also needs to be realised that computer technology take-up has not been extensive among the older generation. BPay for example, which we all now take for granted, is not an option for many veterans and war widows. Increasingly, too, mobility is a major issue. Many veterans are now in their 80s, and getting to the bank, keeping a cheque account and paying bills is becoming difficult. At least now some will be able to make key payments automatically. Families will not need to worry either. We simply mention, however, that the department needs to make sure that veterans are fully aware of the deductions being made. Similarly we need to be sure that deductions cease properly when required and that full acquittal is made. These are very complex matters for older people, and for most the nature of the pension is such that at the end of a fortnight there is little left over.

Part 2 of the bill provides for an increase in and indexation of the VC allowance. It also amends some redundant provisions with respect to gratuities and makes some minor technical changes. This amendment increases the rate of payment of the Victoria Cross allowance from $2,808 to $3,230 per annum and indexes it by CPI. Again, this is a long overdue change. There are only two Victoria Cross recipients alive at present: Mr Ted Kenna and Mr Keith Payne. We can be sure that they also believe that this added recognition is long overdue. A number of decorations are added to the list set out in section 102 as being eligible for the payment of the decoration allowance. These include the Star of Gallantry and the Medal for Gallantry.

Part 3 of the bill provides for the automatic grant of income support supplement. This amendment extends automatic provision of the income support supplement payable by DVA to all war widows, rather than the current limited range, thus removing an unnecessary anomaly. This amendment will
remove a provision whereby widows whose age pensions were paid by DVA on behalf of Centrelink will no longer have to make separate application for ISS. Instead, ISS will be paid automatically, as is currently the case for widows who are paid direct by DVA. This is an important provision in that it streamlines the provisions. It also helps rationalise the methods of payment and processes for war widows as they switch from Centrelink to DVA. This underpins the importance of having all widows cared for by one agency.

Part 4 of the bill provides for the calculation of disability pension arrears. This amendment corrects an inconsistency in the calculation of arrears of disability pension where a partner’s Centrelink payments need adjusting. Currently the actual date of payment and the decision date on a claim do not coincide—and they should, for accurate assessment. Once again, this is a sensible amendment to remove a problem which is typical of legislation which is complex and which often does not mesh properly with the Social Security Act.

Part 5 of the bill deals with another inconsistency, this time with respect to Norfolk Island. Currently veterans pensions are payable to qualified people who live on Norfolk Island. However, social security benefits are not payable unless there is 10 years residency of Australia. The criteria for the payment of a veteran’s partner pension and a widows pension is satisfaction of the Social Security Act, but this excludes those who live on Norfolk Island. This amendment simply removes that anomaly by providing eligibility for veterans’ partners and widows who are currently excluded.

Part 6 of the bill provides for changes to the calculation of rent assistance. The payment of rent assistance to veterans is subject to a means test in which disability pension is included as income, but the act is not clear how this calculation applies to those on the partnered rate of pension where only one partner receives disability pension. This amendment remedies a drafting shortcoming and will provide a common means of assessment. Part 7 of the bill provides for changes to the calculation of arrears. Because the veterans disability pension is always paid in arrears from the date of claim, the recovery of overpaid rent assistance is necessary. The act, however, does not allow that recovery to be made from partners where the disability pension is treated as income for the married rate of pension. This amendment corrects that shortcoming.

Part 8 of the bill seeks to close a loophole which has been identified with respect to the treatment of assets in the deeming provisions. As the result of an AAT decision the loophole has been created whereby encumbrances from capital assets can be deducted before the calculation of deemed income. This approach is intended to apply only to the assessment of assets. Its extension by the AAT to deeming provisions needs to be countered. The same amendment is also to be made to the Social Security Act. Part 9 of the bill clarifies the definition of income for returns accrued but not paid from financial investments. Currently it is possible that accrued payments may also be treated as actual deemed income, thus double-counting the return. This amendment removes that possibility.

Part 10 deals with the exemption of superannuation assets from the means test. At present there is an inconsistency between the Social Security Act and the Veterans’ Entitlements Act. This concerns the ministerial discretion to exempt superannuation assets from the assets test for the service pension in some circumstances, where the person would be otherwise disadvantaged. This amendment will bring the VEA into line with the
SSA. Part 11 also refers to means test exemption but with respect to other superannuation accounts and rental income. Again the Veterans’ Entitlements Act needs to be brought into line with the Social Security Act with respect to the treatment of small superannuation accounts and private rental income in the means test for the service pension. This is the result of an oversight in 1995, whereby only the SSA was amended.

Part 12 provides for changes to war widows’ pensions to remove an important anomaly. Currently there is an anomaly between the way a war widow’s pension and income support supplement are calculated in combination, and the way a war widow’s pension and service pension are calculated where there is a third party compensation payment. That is, there is a difference where the widow is also a service pensioner in her own right rather than the partner of a deceased veteran. In the former, the ceiling rate of income support supplement is adjusted upwards to compensate for the offsetting of the third party payment. In the latter, the frozen rate of service pension is not so adjusted. This is an anomaly caused by a legislative omission in the past. This amendment removes the anomaly.

Part 13 relates to offences. This is a minor technical change to provide that an offence can also be committed where a part pension is payable rather than just a whole pension, as is currently the case. Part 14 repeals a provision which was made incorrectly in 2002 for the treatment of deprived assets in the means test for the service pension. If left in the VEA it could result in deprived assets being counted twice where they were disposed of prior to 2002.

Part 15 deals with compensation recovery. This is a minor technical change to bring the Veterans’ Entitlements Act into line with the Social Security Act with respect to the definition of periodic compensation payments. This is the result of an AAT decision which, if allowed to stand, would have an implication in a small number of cases. The Social Security Act has already been amended. Part 16 provides for a range of minor technical amendments. These are all minor drafting changes to clarify definitions, remove redundant wording, correct references and standardise some expression. They are of no consequence in their effect.

These amendments are all justified and raise no major policy issues. It is noted, however, that those amendments which affect the treatment of the disability pension in the means test under the Social Security Act would not be necessary if that pension were ignored as income under that act. Instead of taking that path, the government has decided to pay an allowance in lieu of the value of the current pension reduction. This is extraordinarily messy and complex and could have been avoided by a simpler amendment to the SSA. The reason, as we know, is that there has been a standoff in the government which has not been resolved.

In short, the Minister for Family and Community Services has refused to exempt the veterans disability pension from the means test in the Social Security Act. Instead, the Department of Veterans’ Affairs will pay an allowance to all those with the disability pension, equivalent in value to the deduction currently made. This will also have to be paid to partners where joint income is assessed, even though they may not be clients of DVA. This is an absurd arrangement and really demonstrates a dysfunctional government. At least veterans will not be disadvantaged, although, no doubt, many will be dreadfully confused.

I just want to touch on one other issue as this is, as I described, an omnibus bill which touches on a whole range of veterans’ issues.
I want to deal with an issue which the minister raised. Following the fact that no-one from the opposition chose to question the minister during appropriations, she got in a bit of a pique about things and put out a press release claiming that the opposition had snubbed the veteran community. I want the Minister for Veterans’ Affairs to clearly know that it was not the veteran community that was being snubbed but the minister. Quite frankly, we are sick of asking questions and getting no answers, and we are sick of seeing the veteran community being constantly ignored by this minister when they write letters to her, not of a political nature but simply seeking information, advice or the current status of certain things that they might be involved in, only to have those matters ignored for months and months.

I want to draw to the attention of the House a particular case which explains exactly what I am talking about and why there is so much frustration with this minister. I have a copy of an email sent by Mr Andrew Wilby, who is the Treasurer of the Injured Service Persons Association in Queensland. He wrote the email to Mr Latham and it has been passed on to me. It says:

Dear Mr Latham

I writing to tell you about the ongoing battle for military compensation that myself and everyone else who require carers to look after us face. I was left a quadriplegic 15 years ago in the military and I am still fighting for compensation. One of my main concerns is that anyone who require carers to look after them faces the added financial burden because everywhere we go or everything we do costs us double, we have to pay for our carers as well as ourselves.

I had a meeting with Danna Vale at the Caboolture RSL Club on the 23rd of February 2004, we discussed several things, one of which was how severely injured personnel who require carers to look after them face extra financial burden because they not only have to pay their way but they have to pay for their carers as well.

For instance if I fly anywhere I require a carer to fly with me, therefore I am up for the price of their flight as well. She said she was going to personally look into the situation and get back to me. As yet I have had no response to that meeting or the four letters that I have sent every month since.

I am not going to keep the House on this issue. We have already explained that we support this bill. But, as it is an omnibus bill, I wanted to bring up this situation because it is a fair example of why the veteran community, as I have said, is so frustrated with this minister. Indeed, I believe that many people on both sides of the House are frustrated with this minister. I say that because I know that the office of Mal Brough, the Minister Assisting the Minister for Defence, has also intervened in this matter on behalf of Andrew Wilby and has sought those responses that were personally promised by the Minister for Veterans’ Affairs but which are yet to see the light of day. Mr Wilby is just another ex-serviceman frustrated by incredible delays and, indeed, an ignorant silence.

I think, when a minister gives a personal commitment to look into something on behalf of an injured soldier, that is a pretty strong commitment to give. On behalf of Mr Wilby, I want to ask the minister to get him a reply. I ask her at least to let him know that the issues she thought were so important to give him a commitment about, face to face, are still issues which—in the confines of her office, with all of her staff and with all of those resources at her fingertips—she thinks are important enough to at least live up to the personal commitment that she gave. I think there is always going to be room for politics
in our game, but you do not play politics with the needs, concerns and vulnerabilities of injured service personnel. The minister should get back to this man within a very short period of time. As I said, the ALP supports this legislation.

Mr CIOBO (Moncrieff) (7.24 p.m.)—I am pleased to rise this evening to speak on this omnibus bill, the Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004. The member for Cowan has provided a very detailed overview of the various elements and provisions contained within this bill. It is not my intention in the debate this evening to deal with each of the issues, other than to say that this bill sees an amalgam of some 16 different and separate proposals incorporated into the one bill.

The proposed amendments give effect to several minor policy initiatives and improvements that apply with respect to the application and administration of the Veterans’ Entitlements Act. Probably the principal parts within the bill are designed to ensure that there is an update to the provisions of the VEA so that they mirror or are similar to provisions in the Social Security Act. Many provisions for income support payments in both acts mirror each other, and parity is certainly desirable to ensure consistency, at the very least, and—more importantly—equity. All of the income support pensions and allowances provided under the SSA, with the exception of the blind pension, are income and asset tested. The like income support payments provided under the VEA that are also income and asset tested are the service pension, the income support supplement and the invalidity service pension.

The reason I speak on this bill is that in my electorate of Moncrieff I have some 4½ thousand veterans. It was an absolute pleasure for me to attend, only last Friday, the opening of a new relocated Veterans’ Affairs Network office in the very street, in fact, where I have my electorate office—Short Street in Southport. The staff in this office are among the most committed and hardworking Veterans’ Affairs staff that I know. It was indeed a pleasure for me to be there on behalf of the Minister for Veterans’ Affairs, the Hon. Danna Vale, to officially open their new premises and to speak with many of the veterans who live on the Gold Coast. That particular VAN office services over 10½ thousand veterans who reside in the immediate Gold Coast City. When you consider the size of that veteran population—it is in fact the fourth largest veteran population in the country—you start to appreciate the importance of this particular legislation and the impact that it has on their day-to-day lives. That is the reason I am very pleased to associate myself with this bill which, although an omnibus bill, is an important piece of legislation.

As I mentioned, I intend not to touch on every aspect of this bill but merely to address several of the key components and key provisions that are contained within it. One in particular is part 2 of schedule 1, which deals with the Victoria Cross allowance. The current Victoria Cross allowance is some $2,800 that is paid annually in advance to veterans who have been awarded the decoration of the Victoria Cross. They are of course among our bravest veterans, and they obviously deserve the recognition that goes with having been a recipient of that award. In this regard, it has been past practice for the VCA to be increased on an ad hoc basis as various governments have deemed necessary. This bill seeks to increase the annual rate of the Victoria Cross allowance to $3,230, effective from 1 July 2004, and to ensure that the VCA is indexed to the CPI on an annual basis from 1 July 2004, thereby providing greater certainty for those Australian veterans—and
there are very few veterans who have a Victoria Cross. This is a small but nonetheless significant change, and one that I know people are certainly supportive of.

Part 3 of schedule 1 deals with the automatic grant of income support supplement to age pensioners and to wife pensioners. The question is: what is the income support supplement? It refers to income tested support supplement that is paid to some recipients of the veterans disability pension or to recipients of the war widows pension. Neither the veterans disability pension nor indeed the war widows pension is means tested on income or assets, and that is largely as a consequence of the fact that it is paid as compensation for war related illness, injury or indeed death.

Some recipients of these veterans’ compensation payments may also be eligible to qualify for other income support payments provided under the Social Security Act. These may include, for example, the age pension or the wife pension. If they are entitled to that, the amount of the age or wife income support supplement is paid at a reduced rate, recognising that they are also in receipt of a means test free veterans’ war compensation payment. In this regard, some disability pension or war widows pension recipients do not qualify for the income support supplement as a consequence of their income and/or assets precluding payment of an age or wife pension because of the threshold tests that apply under the application of the means test.

Prior to March 1985, any additional age or wife pension was provided by the then Department of Social Security as a frozen rate age or wife pension under the Social Security Act. With the passage of the Veterans’ Affairs Legislation Amendment Act 1994, the income support supplement was introduced and was effectively a replacement payment that was to be provided by DVA. It is paid at a rate that is similar and under the same conditions as any age pension or wife pension that is otherwise payable under the Social Security Act. In fact, in March 1985, there was opportunity for people to be streamlined. As such, the DVA automatically transferred all recipients of this income support supplement under the SSA across to the DVA. This was a choice that people had, but it is important to recognise that virtually all recipients were transferred across to DVA as a consequence of the fact that they needed to object if they did not seek to be transferred across to the Department of Veterans’ Affairs.

With respect to this particular bill, it is proposed that an automatic grant of income support supplement to the surviving partner of a deceased veteran be applied. Normally, to be granted a pension under either the Veterans’ Entitlements Act or the Social Security Act, a person is required to formally lodge a claim. However, part three of schedule 1 provides for the automatic grant of income support supplements to eligible wife and age pensioners where their veteran partner has died. This will eliminate the necessity for the surviving partner to lodge a formal claim on the death of their veteran partner, when DVA already knows the person is entitled to the income support supplement. This is in line with other automatic grant arrangements for the income support supplement that already exist under the Veterans’ Entitlements Act. I know that my veterans would consider this to be a beneficial proposal.

Part 4 of schedule 1 deals with the calculation of disability pension arrears. It is a technical aspect that deals with the period between when a claim is lodged and when a claim may subsequently be granted. It recognises the fact that there may be arrears that arise as a consequence of the time lag that is involved between the application being lodged and the subsequent granting of a par-
ticular claim. Part 6 of schedule 1 details amendments to the VEA to clarify the impact of the disability pension on the rate of rent assistance where the person or their partner is receiving a disability pension. Part 7 details a reduction in pensioner arrears that results from a partner’s receipt of a service pension. This refers to the same issue in the Veterans’ Entitlements Act, as part 6 does—that is, the impact of a disability pensioner’s income for the purposes of the calculation of the rate of any rent assistance paid, in addition to the veterans service pension.

Part 9 deals with deemed income and actual income from accrued returns. Under the income test that is applied under the Veterans’ Entitlements Act and under the Social Security Act, any income realised from financial investments is assessed under one simple set of rules. These are the deeming principles. The deeming rules were introduced to both the SSA and the VEA, with the social security and veterans’ affairs amendment act that was passed in 1995. Deeming assumes the financial investment is earning a prescribed rate of income, no matter what income is in fact being earned. Financial investments include, for example, bank and building society accounts, cash, term deposits, cheque accounts, friendly society bonds and the like. Financial investments, however, do not include a residential home or its contents, cars, boats or caravans. Nor do they include antique or stamp collections; assets held in superannuation and rollover funds, if the person is under age pension age; home insurance policies; holiday homes; farms; and those types of things. The reason this is important is that, under the deeming rules, many veterans may in fact be better off.

It is worth highlighting, as well, that whilst some people do have concerns that they express from time to time about the application of deeming rules, most major banks do provide a deeming account which is linked to providing a return that is equal to the deeming rate. It is an important consideration because people ought not fear, if they do not feel that they are particularly financially savvy, that they need to ensure that they are earning an income that equates to the deeming rate, because that is relatively straightforward to achieve through most major banks, credit unions and the like. For those who perhaps do have a greater degree of financial savvy, they have the opportunity to earn above the deeming rate and therefore, over a period of time, be in a more beneficial position.

This omnibus bill does make a number of minor amendments to the Veterans’ Entitlements Act and other associated legislation, but it sees a continuation of benefits that apply to veterans under the Howard government. I am very pleased that I am able to associate myself with not only this bill but a number of very positive measures that this government has taken to ensure that the veterans’ lot in life is appropriately recognised and that all Australians appreciate the fact that many of our freedoms were hard fought and won and hard fought and defended by veterans who now look towards not only this government but previous governments and subsequent governments to provide them with some reassurance and an appropriate level of respect, recognising the contribution that these veterans have made to the Australia that we know and enjoy today.

This particular bill does contain many amendments, but it continues to build on the strong platform we as a government have made to recognise and care for our veterans. I am very pleased to enjoy a very good relationship with all of the ex-service organisations in my electorate. I am very pleased that I have a significant number of ex-service organisations that, in fact, send along representatives to veterans kitchen cabinet meetings, as I call them, that meet from time to
time in my office. It is an opportunity for all those members of those ESOs who attend my veterans kitchen cabinet to sit down and discuss with me issues that they believe are important. Some of those issues are incorporated into this bill and some of them have been incorporated into other bills. But, in all, I certainly believe it fundamentally to be my role to ensure that I continue to listen to my veteran community and that my veteran community knows that I will be a strong advocate for them in recognition of the significant sacrifice and contribution that they have made as veterans in Australia’s past. I am pleased that the Labor Party is supporting this bill and I commend it to the House.

Mr KATTER (Kennedy) (7.37 p.m.)—The Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004 proposed here is good legislation and we praise the government for proceeding with it. These are small things but they are things that needed to be done and I am well aware, as are many other members of parliament, of the necessity of carrying out a number of these actions. Having said that, when we introduce legislation in this House, whilst the legislation says that we will do these things, by implication there are also things that have not been done.

I attended a major address by the outgoing Dean of the Faculty of Economics at the University of Queensland. He said that there were three great shames of this country: the first was the way we treated the first Australians—and some might disagree with that, but that is what he said—the second was the way that we have treated the dairy farmers of this country and the third was the way that we treated the men who returned from Vietnam. The Boyer lectures by Tom Fitzgerald some years ago were, I thought, the best things I had ever heard on radio. He was a fighter pilot in Britain. He remembered with great bitterness that they were brought home in the dead of night and the next day their vehicles had graffiti painted all over them. The people of Australia were very hostile towards these men. They were ordered—they had no option—to go and fight in Great Britain. Australians believed that they should have been here fighting for Australia, but, of course, in wartime, if you do not do as you are told, you get shot—it is called treason. There is very swift action taken. So those men suffered, but there was a very small number of them.

In the case of the Vietnam vets, they came home to a most unfortunate situation, to say the least. I agree with everything that the previous speaker, the member for Moncrieff, said, but words are cheap. If you want to express your appreciation to somebody then, ever since the Phoenicians invented money, money has been one way of doing it. The other way of doing it is with medals. I have been asked to put questions to the Minister for Veterans’ Affairs and she will be receiving them by way of questions on notice. I think it is right and proper that they should be aired in this place at this time. They are as follows. Is the minister aware that there are thousands of Defence Force personnel—and this is not in this bill—who have served since 1946 without any recognition of their service by way of the award of a medal? Is the minister aware that these personnel include regular officers and soldiers who, between 1946 and 1972—a 26-year period—had no medal recognition at all? These include many female personnel who were compelled to leave the service in earlier days upon marriage and therefore did not complete the 15-year service period required for any such awards as then existed, personnel retrenched through no fault of their own after periods of service often exceeding 10 years but not 15 years and personnel who were injured in non-operational military service.
and thus did not qualify for any medal recognition.

Is the minister aware that representations have been made, supported by approximately 60 service and ex-service organisations, that a medal should be issued to personnel such as the above to cover those persons falling through the cracks in the present award system, so that such persons are recognised and can participate with dignity and recognition in such patriotic events as Anzac Day? Finally, does the minister agree that persons such as the above merit medal recognition and this recognition should be both prospective and retrospective?

As to the civil service medals—and my maternal grandfather was one of these cases; he wanted to join up, but he was told that, because he was a builder and carpenter, he had to go into the civil service corps—all of us that have given out those medals have seen the extremely great pride with which they are accepted. In many cases now, sadly, they are accepted by the descendants of those people. In my grandfather’s case, it was my auntie as he had already died. It seems to me that there is little purpose in giving out medals after a person has gone. So we plead with the minister to look at and seriously consider this.

The opposition spokesman said that there is a non-reactiveness from this department. Whilst he may have addressed the remarks to the minister, I have to say in all seriousness and sincerity that it is a charge, allegation and criticism which I have heard constantly and it would be improper of me not to pass it on in this place. These requests are not listened to. Even the decision to give the service medal and certain other actions that government has taken were only after years and years of anger because of representations that were ignored in this place.

Finally—this is not in this bill—in the First World War the soldiers came home and were provided with free education and soldier settler blocks. In the Second World War they came home and were provided with free education and soldier settler blocks. The men that came home from Vietnam were provided with nothing. A very large segment of this community treated them with great disrespect and in an extremely shabby way.

When the Dean of the Faculty of Economics talked about those three great shames, I added the part we played in the Boer War, where 28,000 women and children perished in the British concentration camps, and the fact that we did not take any of the Jewish refugees trying to flee from Mr Hitler in the Second World War. That makes up five great shames of this country—particularly the Jewish one, where some six million of these people perished because they could not get out of the country as no other country would take them. If they had gone to Israel, who could blame them?

The reason I make that point is that there is something bad and morally wrong that we need to fix up. We cannot have a country with a great spiritual patriotism if we do not address these problems. If we go out and march on Anzac Day and then treat these men in the most shabby of manners and provide them with absolutely nothing for what they were forced to do in the Vietnam War, whether they liked it or not, then we are deserving of the greatest criticism. I do not think that this situation should continue.

Let me now be very specific about what needs to be done and what is not being addressed in this bill. In North Queensland there is vacant land at Kalpowar Station and a number of servicemen have simply moved into occupation. I give fair warning in this place: Les Hiddins and the boys have brought back soil that is stained with the
blood of our soldiers and taken it up and placed it at Kalpowar Station. People have lost family—and I most certainly am one of them. I have lost family from amongst my forebears at Suvla Bay. Some of their blood was spilled there when they went there and is still there today. This will be a sacred place for Australia. If anyone dares touch it, then they will understand the wrath of patriotism that will flush out in this country. So we give fair warning on this issue. If these people were not given free education when they came home, if they were not given soldier settler blocks, if they were treated as sub-standard soldiers when they returned home then who could blame them for taking the actions that they have taken at Kalpowar Station?

The onus lies upon the government, the minister and the department to act in requested areas with respect to these medals and the station property in North Queensland. Many other people in this country—national parks and our first Australians, who we are very proud of, of course—have received huge amounts of land, but these people have received no land at all. They have claimed little bit of Australia for themselves—good on them. We plead with the government to answer the questions we have asked here this evening.

Mr HUNT (Flinders) (7.47 p.m.)—I am delighted to rise this evening to support the Veterans' Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004. This bill carries out a series of steps and brings them into being, which will assist veterans. I want to begin with two preliminary points that flow from the role, care and action of veterans within my electorate of Flinders. As with every electorate, there are people who served Australia in times of war and times of peace within the military who now live in that area. In particular, we have a group of veterans, whether from Rye, Rosebud, Dromana or Mount Martha, who have retired to the area and made a commitment in the course of their lives and served this country.

I bring a little personal history to this debate having lost a great-uncle in the First World War. As a custodian of his legacy, almost 90 years on now, it is something that sits with my own family as I know it sits with every family. Having paid tribute to the veterans in my electorate, I want to raise a specific issue which one of them has asked me to bring before the House. Dennis Gist, who was a naval seaman aboard HMAS Sydney in Vietnam in 1965, has been the custodian of a legacy: he has been working with many of his fellow seamen and others who were aboard HMAS Sydney, a troop carrier, to achieve for themselves positive consideration for the South Vietnam campaign medal. I know that this has been considered by the government, and I gently but genuinely urge them to consider this situation in the light of all the newest evidence which is available.

In essence, looking back over the history, we know that, in May 1965 in Vung Tau harbour, HMAS Sydney was a troop carrier for the Australian Navy, along with other ships, RAAF No. 10 maritime squadron and certain military units. Although they were not seen as directly being engaged in action, the history is nevertheless very clear: they were in an area of enemy activity, which involved hostile fire from the island of Long Son. There was Vietnamese mortar, mines in the water—both fixed and floating—and also divers with hostile intent. Against that background, previous governments have not agreed to the award of the South Vietnamese campaign medal for the crew of HMAS Sydney, the accompanying ships and RAAF No. 10 maritime squadron. I realise that these are difficult issues; all of balance and all of judgment. On behalf of Dennis Gist, former
naval seaman, I urge the government, the Prime Minister and the Minister for Veterans’ Affairs to give consideration to the circumstances surrounding the crew of the HMAS Sydney and to do all they can to assist in the award of the South Vietnamese campaign medal. I realise that these are difficult issues; nevertheless, I place these matters clearly before the House.

The Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004 seeks to do three things. Firstly, it expands options and support for disabled veterans, war widows and veterans’ partners; secondly, it aligns the Veterans’ Entitlements Act 1986 with the social security law in relation to the deeming of certain income and assets, including the treatment of superannuation benefits and compensation recovery provisions; and, thirdly, with changes to the direct deduction arrangements contained within this bill, it gives assistance to persons receiving service pension or income support supplements, to persons receiving the disability pension, to those receiving the war widow or widowers pension and to those who receive other pecuniary benefits under the Veterans’ Entitlements Act.

Those are important steps. They come against a particular background. I pay special tribute to the work of the Minister for Veterans’ Affairs, who has had a Herculean task in the last year to respond to the Clarke review. Against that background, the government’s response to the Clarke review, and in particular the Minister for Veterans’ Affairs’ response, basically deals with the core areas of service eligibility, access to the gold card, benefits for totally and permanently incapacitated and disability benefit recipients, and rehabilitation measures. Looking at all of those things, the total package which has come out of the response to the Clarke review is an additional $267 million to assist our veterans over the next five years. That is a significant figure.

Of course, any government always wants to do more. But, given the available resources, this is a very significant step forward. What we see is an increase in funding, which is already evident with the rise in pension rates from 20 March this year, by $11.40 to $464.20 a fortnight, with the maximum rate for couples to increase by $9.60. The TPI pension rose by $8.40 to $771 a fortnight. Of course we want to do more, but within the available resources this is a significant step forward. In addition to that, what we find is that more than 19,000 disability pensioners who receive their income support from Centrelink will benefit from the change. On average, they will receive an additional $40 a fortnight. That is a significant and important step forward. Furthermore, there is an increase in the extreme disablement adjustment, which will be increased by $4.80 to $438.45 a fortnight. Last, but by no means least, the government also accepted the Clarke committee’s recommendation to extend an ex gratia payment of $25,000 to all surviving prisoners of war held captive during the Korean War and to their widows or widowers. This is in recognition of the extraordinarily inhumane and difficult conditions they endured as a consequence of their service to Australia in the most hostile environment.

The Clarke review and the changes made build on the back of a series of other packages over the course of the life of the government. Perhaps most significantly, since coming into office in 1996 this government, through its successive ministers, has increased spending on veterans affairs from $6.4 billion to $10 billion in the federal budget for 2003-04. Why is that important? It represents an increase of over 50 per cent in the period of a few short years. That is an increase which is far and away above rises in
the consumer price index. It is a significant and real increase in the value of that which is paid to those who have served Australia. It is a very important step forward.

So when you look at the full range of initiatives, what you see is that we are making real progress on the conditions which are offered to our veterans—people who have either placed themselves in harm’s way or offered to place themselves in harm’s way. In the world in which we live today, we perhaps recognise better than at any other time over the last 30 years the magnitude of the debt we owe our veterans, wherever they may be around Australia—or, in my case, from the Mornington Peninsula.

As I said at the outset, I come to this speech and this topic with not a direct connection but a familial connection. My own great-uncle was lost in the First World War. That had an impact throughout the ages throughout the family. There is recognition, understanding and remembrance. I think most Australians can say that they have a direct connection in some way or a connection to people who have served Australia, because it has been a national responsibility over the course of the last century. In that context, I am delighted to commend the measures set out in this bill. I thank people such as Dennis Gist who have kept alight the flame for any particular part of the service community. Whilst we may not be able to satisfy everyone, we work towards recognising their legacy, treating it appropriately and thanking them for their work. In that context, I commend the bill to the House and I urge its speedy passage.

Mr ADAMS (Lyons) (7.57 p.m.)—My colleague the member for Flinders indicated that he thought veterans’ benefits had always been at the forefront. But after the First World War there were not too many benefits and there were a lot of people who worked very hard in Australia to get benefits for veterans. I remember Alec Campbell, the last Gallipoli veteran and a Tasmanian, spent some of his life after he came back from the first war working very hard to improve veterans’ entitlements.

The bill currently before the House—the Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004—comes from the Clarke review of 2004. It falls well short of recognising, let alone compensating for, the full cost of our veterans’ services to Australia. For veterans who participated in the Korean War, the amendments in place are small compensation for the trauma experienced in that particular theatre of war. Korean veterans and those veterans fighting in previous and subsequent wars are continually being palmed off with small, one-off payments, all too often too late for any real benefit to be achieved by the recipient. These payments and benefits do not allow for the constant suffering previously experienced by veterans or their families.

The provisions in favour of the veterans are limited, as are the numbers of those who will receive any real benefit when in fact in many cases it has been a larger group who has suffered and relived the madness of war many times with veterans, repeatedly and for long periods of time. How much better it would be for the veterans to have the knowledge that, while they are still young enough to gain some real benefit from any monetary payment to assist them with their health issues or specific needs, these payments were available at the time, not when it is really too late.

When I talk to my constituents who are members of the veterans community I am struck by the fact that it is not only the veterans themselves who are still paying the price for their service but their families as well.
Most alarmingly, the cost of conflict is also being borne by their children. On several occasions recently I have read information detailing the large increase in the number of suicides among children of veterans. Still we hear very little from the Minister for Veterans’ Affairs on what steps are being taken to counteract this terrible occurrence. While there has been some attempt to put in place more counselling services for children of veterans, the suicide rates increase continually and the obvious need is not being addressed satisfactorily.

Although it is over 30 years since Australia’s service personnel served in the Vietnam conflict, the effects of their service are still very much with us today. The effects of the chemical defoliant Agent Orange—which was used extensively in Vietnam—in both the short term and the long term have been the subject of hot debate for a number of decades now. The United States finally in 2002 formally acknowledged the potential for Agent Orange to be considered the prime causal factor in a number of conditions that were still being suffered by Vietnam veterans and their children. The conditions were not only in their children but often in their grandchildren as well. It is clear that time and generational change has not put paid to these issues.

Here we are in 2004 and our defence personnel are once again serving in many theatres of conflict, facing not only the physical threat of harm and death but the same uncertainty regarding their future health condition when they return to Australia and their civilian life. Their own personal health is still at risk, as is that of their children and their children’s children. While the veterans’ affairs minister states that the alternatives being offered to veterans will offer a more satisfactory mode of compensation, it will only be satisfactory for the department—certainly not for the veterans or their families. Little or no consideration is given to the list of exposures potentially faced by members of the forces: the chemicals, radiation, and biological and biochemical agents that may lead to chromosomal or DNA damage that can be passed on from one generation to another.

The bill before us should surely represent an opportunity to learn from the experience of past conflicts and the ramifications of those conflicts for many Australians—even today. As we formulate this legislation we should realise that our troops that are serving now will have needs far into the future, as will their families and their children yet to be born. We cannot know what these needs might be. As recently as 8 June this year the New Zealand Daily News was extolling the achievement of Judith Collins, a New Zealand member of parliament, for her part in establishing a select committee to investigate the ongoing effects of Agent Orange on the New Zealand Vietnam forces and their offspring. I too believe that this is a highly commendable response to a clear need and as such would serve us well as a model for how we are to treat our returning service men and women now and in the years to come.

Any Vietnam veteran’s child who has a birth defect should be presumed to have a service-connected health effect if that person suffers from the type of health effect consistent with exposure to any of the materials detailed above. This bill does not recognise that the effects of armed conflict can and do cause problems into the future and for future generations. Instead it wants to pay our veterans off with a cynical golden handshake. A lump sum payment right now might look like a golden egg to someone returning from the conflict in the Middle East, but I believe that time will quickly show the lack of foresight and compassion of the government that laid it. Young people returning home from a particularly intense and traumatic passage of their lives are clearly not in the best position
to prudently husband a one-off payment to hedge against the problems that might arise from their military service. They are quite possibly problems that they cannot know about; they might be problems that will be experienced by children who are not yet conceived.

To a large extent, we do have the benefit of hindsight regarding these issues. In enjoying this benefit we need to ensure that resources are available to our returning service personnel by way of regular income support payments for veterans and their families as well as assured support for the health and community services that veterans and their families will need in the near future and for a long time to come. This bill in its current form does not even begin to provide these resources. As with some of the other one-off payments that we have seen introduced in this place in recent times, far from being a carefully considered budgetary solution to a clear need it is a ham-fisted attempt by this government to sidestep its responsibilities to those men and women who have served our country so well. If this bill passes into legislation, our current service men and women and their families will soon find themselves out on their own and may well remain there for many years to come.

I now move on to another aspect of the bill—one that is connected very closely to the areas already detailed above: eligibility for payment of benefits. From World War I to relatively recent times, veterans and their immediate family members who suffered from disability or illness resulting from the veterans’ exposure to contaminants or disease were covered by the Repatriation Act 1920. However, over recent years this has changed and now applies only to the veteran and wife or widow.

On many occasions during recent times there has been the necessity for servicemen and servicewomen to remain in areas of conflict beyond the cessation of conflict. This in turn has brought with it the requirement for a further period of service that has placed or still places the serviceperson at risk of contamination from dangerous materials, unexploded bombs and disease, bringing with it the greater risk of long-term illness in the years to come. For many of the members of the forces there is no choice in this; it is part of a tour of duty.

There is a long list of countries where Australian forces have participated in operational conflict and where the lives of young men and women have constantly been at risk—countries such as those involved in the First World War and Second World War, as well as Korea, Japan, Malaya, Vietnam and Thailand; more recently, Namibia, the Persian Gulf, Somalia, East Timor and Afghanistan; and now Iraq and the Solomon Islands. As I have stated, the effects of materials used in past wars are only now becoming obvious. For those who have participated in the most recent conflicts, the results are yet to be seen, although already we see a number of cases of suicide and post-traumatic stress disorder.

The effects on the children of participants in the latest conflicts are yet to be seen. Will those cancers and other diseases that have plagued the veterans of the Korean War return in oncoming generations? The question must be asked: were those cancers suffered by Korean veterans caused purely by smoking or were there other considerations that have as yet not been investigated? Unless appropriate provision is made for veterans on their return to Australia and future provision is made for their offspring in the event of illness or birth defects from war-associated materials or disease, we have failed not only our servicemen and servicewomen but the Australian community at large. Our servicemen and servicewomen deserve better than this and so do their children. However, in the
interests of getting some benefits under way and to provide these benefits to the war widows and veterans concerned, I will not oppose this bill. I just believe it is too little, too late and should be revised and improved as soon as possible.

Ms HALL (Shortland) (8.10 p.m.)—As always, it is a privilege to speak in the chamber when you are in the chair, Deputy Speaker Price. The Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004 before us today is an omnibus piece of legislation and brings into force a number of changes which I think overall benefit veterans. My only question is: why has it taken so long for it to be introduced? I will go through a summary of the proposals. Part 1 of the bill proposes a facility for direct deductions from pensions. That will extend the currently limited range of pensions with that facility to include disability pensions and war pensions. That is something that should be in place, and it is very unfortunate that it has taken so long to be put in place. There is a proposed increase in the VC allowance and indexation of that VC allowance in line with the CPI. That will be $3,230. Also proposed is an automatic grant of income support supplement. The bill looks at the calculation of disability pension arrears. There is also a provision that proposes the inclusion of Norfolk Island and amends the legislation to provide eligibility for veterans’ partners and widows living there who are currently excluded.

The calculation of the payment of rent assistance to veterans is subject to a means test in which the disability pension is included as income. It is not clear how this is calculated, and this amending legislation will look at some of the drafting shortcomings there. A section of the legislation looks at the calculation of arrears, assets and deeming. It deals with a loophole that was identified as a result of an AAT decision. It looks at deemed income, accrued returns and clarification of the definition of income for returns accrued but not paid from financial investments. There are proposed means testing exemptions on superannuation, rent and superannuation assets. There is a ceiling rate for service pensions and a couple of other minor amendments that all go towards improving the legislation and making it a little better for veterans—something that we are not used to seeing happen.

I support the comments made by my colleague the member for Cowan about the snide, cheap shot by the Minister for Veterans’ Affairs at the ALP. One would have thought that anyone with any nous at all would have known that the ALP have a policy platform for veterans. All you have to do is visit the web site. It has been available since late January. Not one veteran has any doubt about what the ALP stand for. We stand for the opposite of what this government stands for. We stand for a fair go for veterans—something that they do not expect from this government. One thing we do not stand for at all, though, are the cheap shots from this minister, who is now acknowledged as the worst Minister for Veterans’ Affairs ever. That is something I hear on a daily basis; I am sorry, Minister.

The minister might do well to read the policy. She might learn something about real policy from the ALP policy. It is not about cutting ribbons around the world. It is not about pushing to the front when the cameras are around. It is not about hollow self-promotion or basking in the past glories of veterans. It is about real people with real needs. Minister, read our policy—take it and copy it for your own, if you like. That would be standard for the Howard government. We have seen that practised time and time again in this House.
With respect to the criticism that the ALP did not ask questions at the consideration in detail stage of the appropriation bills, let me ask: what would be the point? I was in the Main Committee. I saw the minister arrive and I had a list of questions I was going to ask her but then I thought: ‘Why worry?’ She never answers any questions. Every time she is asked a question in this House it is never answered. It is quite clear that the minister is not capable of answering any questions on veteran matters. There is a strong chance that she would get it wrong—or simply flick the switch to cutting ribbons or to the colour of her hat. Minister, if you are willing to answer some question then take this on notice: why do you continue to cut services to ageing veterans and war widows under the Veterans Home Care program? I am being contacted on a daily basis by veterans who are most upset about the fact that their home care is being cut. The maintenance part of that Veterans Home Care program is almost non-existent, yet the purpose of that program was to assist veterans. What the minister has done is raise expectations and put in place some home care only to take it away from veterans at a later date.

Another point I make about that program is that the method of telephone assessment is not the right way to do things. It is inadequate and it is not delivering the right outcomes for veterans. That is one of the questions I would have liked to have asked you, Minister. Why was the budget for home care cut by $4 million? The minister might like to answer that question also. How do you define the special rate as to whether it is income or not? Once again, I hope that the minister might like to take this up when she is summing up on this legislation. Why are you denying veterans access to aids and appliances? That is also a common complaint that I receive in my office.

Mrs Vale—Why don’t you write to me then?

Ms HALL—As the minister should be aware, I have written to her about this on a number of occasions and I get an answer back from the minister but, unfortunately, nothing ever changes. The needs of our veterans are not considered in their context. Minister, how much harm has been done by your refusal—and this refusal goes through to next January—to do anything about specialists refusing to treat, under the gold card, veterans with serious medical conditions? I appreciate that you have announced in the budget additional funding to come into play, but that is not until January next year. To the veterans in my electorate who cannot see a urologist or an orthopaedic specialist and have that specialist accept the gold card in full payment for their service, that is not good enough. Veterans who have defended our country in times of need and who always believed that their government would look after them are very disappointed. They believe that that gold card should deliver them the care and treatment that they need and deserve but, time and time again, veterans are attending specialists only to find that that specialist will not accept their gold card. I will be watching very carefully to see whether or not there are any changes in January next year.

The minister may like to look exasperated about this but these are real people who are struggling and hurting. There is one gentleman living on the Central Coast of New South Wales who has been so severely disadvantaged by the fact that he cannot get a urologist that he has had to change urologists and travel further. In that area, that is an extreme disadvantage. He is a real person who has been really hurt by her inaction, and there is the same sort of problem within the Lake Macquarie part of my electorate.
Minister, why can’t war widows be paid their rent assistance until late September? Why does it have to be held off for that long? They have waited and waited and they still have to wait longer. My final question—the big question—is: why has this bill been in the House since 25 March and not been dealt with? The questions could go on and on, but I feel that they would never receive the proper answers and would not be taken seriously. Like the many veterans and widows who write to the minister and write to me with questions and asking for assistance, I know that we will never get the answers to these questions.

Why don’t we bother asking you, Minister? I think the proof is in the pudding. Like veterans, we are sick of the syrup and the empty homilies. We have watched with disdain the process of the Clarke report to which 3,000 veterans and widows made submissions and were dismissed with total contempt. Believe me: people really committed to that process. They went to great lengths to prepare submissions and they felt extremely upset by the response and tardiness of the government and the whole process. Veterans know, as we do, that it was a stalling device to get the minister from one election to another. Fortunately, veterans can see that. Veterans know that they have been duped. They know too that the government was mean and tricky in its first response to the Clarke report and that the Prime Minister was rolled by his backbench. I am sure that the minister was pleased that that happened because surely she must have some compassion and concern for the veterans that she represents here in this parliament. Veterans know that the full intention of the Clarke report was to do nothing—that is what they felt at the end of the process.

This now brings me to the bill once again. Minister, there is a bit of policy in this bill, as I mentioned earlier, which, as I say, has been sitting around waiting for your attention since 25 March. The bill makes a number of technical changes, some of which I highlighted in the beginning of my contribution to this debate. Why has it taken so long to bring them forward? The minister is willing to rush around the world cutting ribbons, but here in the parliament all we get is neglect—and all the veterans around Australia get is neglect.

Direct deductions and electronic payments are things that most people around Australia have had available for a long time. Why has it taken so long for these things to be made available to veterans? The resulting situation is as silly as this example: in South Australia, war widows can only have their rent deducted if their whole pension is paid into the housing trust. The trust takes the rent out and then returns the balance to the war widows, for whom the need outweighs the inconvenience. This bill has been sitting about in this place since 25 March, and those widows have been inconvenienced in the way I have just described. We can presume that the systems are ready and that this can start tomorrow. I am sure that the minister would want that to happen—this to start tomorrow and those electronic deductions to come into play straightaway, so that the widows in South Australia might not have to continue to suffer that inconvenience. The minister might like to tell us when it will start and what veterans and widows have to do to take advantage of this service.

The rest of this bill is largely a clean-up of some odds and ends which affect very few veterans. Given the complexity of this act, this is not surprising. What is surprising, however, is that it takes so long to mirror changes made in the Social Security Act. Why is it that changes made to one act are not also made at the same time to the other act? I do not understand that. I cannot understand why it takes so long and, Minister, I do
not think veterans can either. Is there a moat full of crocodiles between the Department of Veterans’ Affairs and the Department of Family and Community Services? Why do we have to suffer these inconsistencies when we have one group of pensioners affected? More to the point, when are we going to get some consistency between two stovepipes?

Let me now turn to an issue I touched on earlier—that is, Veterans’ Home Care. No doubt the minister will not be able answer my earlier questions on Veterans’ Home Care. If she had been able to, I am sure she would have acted to look after those veterans severely disadvantaged by the cutbacks that they are suffering. They are people like the elderly gentleman living in the Lake Macquarie part of the Shortland electorate who has very limited mobility and is confined to his house. He is just managing to stay there—he is hanging in there by his toenails. He has had his home care slashed. A phone call from assessors in Brisbane told him that he did not need the level of care he was receiving. I honestly do not understand how someone on the other end of the telephone can all of a sudden determine that a man with very limited mobility who is unable to take care of his home without assistance all of a sudden has a lesser need. It just does not make sense.

Minister, if you cannot answer those questions, maybe you can look at reviewing the fact that the home care budget is fixed to the number of card holders there are. The number of card holders is shrinking, and so too is the home care budget. What sort of logic is this? The problem is that those who remain on home care are, like the gentleman I described to you, becoming frailer and beginning to need more services to keep them out of institutionalised care. After all, the purpose of the Veterans’ Home Care program is to keep people living in their homes—to keep them out of an institutional environment.

The government has told us that Access Economics concluded that Veterans’ Home Care pays for itself. I would agree with that, because I think the longer you can keep a person in their home the more it will save the community and the better it is for a person’s wellbeing. That is to the advantage of everyone concerned, and you do not end up with veterans in residential care facilities. That is the last option. If that is the case, then what is the logic in cutting the budget for the Veterans’ Home Care program? I really do not understand. I think that it would be good policy to invest more in the Veterans’ Home Care program, in order to keep people like the gentleman I described a moment ago from living in a residential facility. I think the cutback is simply perverse.

On a second issue, Mr Deputy Speaker, may I refer to the reductions and cutbacks which are clearly under way in the Department of Veterans’ Affairs with respect to veterans’ aids and appliances. Apparently, it is a bold bid to save some departmental running costs. Tenders have been called for the supply of aids and appliances, to reduce the number of suppliers to a very small number. That has happened within my own area. It might sound efficient, but it is not necessarily the best idea. It is not about delivering good service and it is not about delivering the right appliance or the right aid for a veteran. A veteran’s aids and appliances are determined by that veteran’s individual needs. What will happen to the odd-job man who has been installing those handrails for the veterans? Minister, I actually do not believe that is the right way to go, so, whilst I support this legislation, I do have some serious concerns about it—and I do have concerns about your ability to answer those questions that I have posed to you. I believe that the veterans’ community would like some
straight answers. They would like some action from the minister, and they would like a demonstration of the fact that she has real care for their needs. *(Time expired)*

**Mrs Vale** (Hughes—Minister for Veterans’ Affairs) (8.30 p.m.)—in reply—I thank members for their contribution on the Veterans’ Entitlements Amendment (Direct Deductions and Other Measures) Bill 2004, particularly the member for Moncrieff and the member for Flinders, and I warmly acknowledge the opposition’s support for this bill. The bill gives effect to a number of minor policy measures that will enhance services to veterans and their dependants, continuing this government’s strong commitment to improving the repatriation system to ensure it operates as effectively as possible in meeting the needs of the Australian veteran community.

Firstly, the bill will extend the direct deduction arrangements to recipients of disability pension and war widows or widowers pensions. The direct deduction arrangements will enable regular deductions to be made from these pensions for payments such as rent to state housing authorities. These arrangements are already available to service pension and income support supplement recipients. The bill will increase the Victoria Cross amount by 15 per cent, taking it to $3,230 per year. The bill will also provide for the annual indexation of the allowance in line with movements in the consumer price index. These amendments reflect changes to the allowance provided to British VC recipients by the British government and recognise the special place held by Australia’s Victoria Cross winners.

Other amendments to the bill will enhance support for veterans’ partners who receive the social security age pension or wife pension through my department, by providing automatic eligibility for income support supplement following the death of the veteran partner. In a further measure of support for veterans’ partners, the bill will ensure eligibility for the partner service pension. It includes certain partners who are resident in Norfolk Island. These amendments correct an anomaly in the provisions that meant certain partners resident in Norfolk Island were not eligible for the partner service pension.

Other amendments will correct minor policy flaws and align the Veterans’ Entitlement Act 1986 with social security law in relation to the deeming of certain income and assets, the income and assets treatment of superannuation benefits and compensation recovery provisions. Many of these amendments represent relatively small changes to our repatriation legislation. However, this finetuning of the Veterans’ Entitlement Act is important to those members of the veteran community who will benefit from these changes, and the government sees this legislation as continuing to deliver on its commitment to those who serve in the defence of our nation.

Some of the speakers raised some issues, and I would like to address them. The member for Cowan mentioned that I raised the point that no member of the opposition turned up to ask questions in the debate of the appropriations bill last week. He mentioned that it was intended as a snub to me—not to the veteran community. It seems that the best method of defence is always attack, and that is a pretty good spin to put on a failed appearance. But the fact remains that the opposition leader also failed to mention veterans’ issues in his speech in reply to the budget. On another occasion that would not have escaped the notice of the veteran community, out of the 200 promises pledged by the opposition leader in the past 200 days only one had anything to do with veterans’ issues. I also point out, and it has been raised by the member for Shortland, amongst other things, that in the Labor Party’s platform—a
policy document of about 300 pages—any mention of veterans’ issues occurs in the last pages, as if in an afterthought, and even then in ambiguous language and so very guarded as to give concern to any person who would look to see the directions that the Labor Party might take in regard to veterans’ issues.

The member for Cowan also raised an issue regarding a Mr Wilby and some letters that had not been answered from my office. I am surprised if he has not yet received a response, and I do apologise to the gentleman if that is the case. I will make inquiries of the department tomorrow. I point out that my department does receive a large volume of correspondence—around 8,000 letters a year—and replies may inevitably be overdue, especially if they do require some investigation, but I will make inquiries tomorrow on behalf of the member for Cowan for this gentleman.

The member for Kennedy raised the issue of the need to do more for our Vietnam veterans. I—and, I think, all in this place—agree that not enough was done at the time our Vietnam veterans returned home from the war. I would like to point out that this government has introduced a range of initiatives especially to assist Vietnam veterans and their families, and they have been very successful—especially our successful heart health program. The government also committed $32 million of funding in the 2000-01 budget in response to the findings of the Vietnam veterans health study that was undertaken by this government. This funding benefits both the veterans and their families. This government funds and supports the health of those children of Vietnam veterans who may suffer from specific health problems like spina bifida, cleft palate, or certain leukaemias or cancers. This has been very well received by the veteran community. Of course, we can always have a look at issues and discuss them with the veteran community, which we do in our consultation process, to make sure that their needs are being met. I note the member for Kennedy also raised the issue of medals. I have had a word to him and referred him to the Minister Assisting the Minister for Defence, who has the responsibility for medals.

I think perhaps the member for Lyons was very confused by this bill. I think he actually confused this particular bill with the Clarke bill. He raised issues about what was being done for the children of veterans. Again I am happy to be able to inform him that we have introduced some very practical measures to assist the Vietnam veterans’ children, including the Vietnam Veterans’ Children Support Program, which is a very popular sons and daughters program. Also, we have doubled the number of Long Tan bursaries—there are now 30 presented every year for tertiary education to assist specifically the children of Vietnam veterans. Also, as I said, the specialist health care needs of the children are looked at and the Vietnam veterans’ children do have access, as do the Vietnam veterans’ partners, to our Vietnam Veterans Counselling Service, which I understand is very well received.

The member for Shortland raised several issues. She keeps saying that she does not understand. There seems to be quite a lot that the member for Shortland does not understand. She again made the point that the ALP platform has been available since January. As I pointed out earlier in my comments, it is hidden at the back of a 300-page document. I remind the member of the failure of the opposition leader to mention one word about veterans in his reply to the budget. The member for Shortland also asked about the reason for the delay in bringing this bill to the chamber. We tried to seek agreement from the Labor Party to have this bill discussed in the main chamber, but it refused,
hence the bill had to take its place in the queue to come to this House.

The member for Shortland raised some very serious allegations about cuts to our Veterans’ Home Care program. Nothing could be further from the truth. This program, which is very popular with veterans, has not been cut. We allocated an extra $8.6 million to this program in the budget of 2003-04. The level of service from this particular program for our veterans has been maintained. As a matter of fact, the demand the veterans have for this program shows how popular it is.

The member for Shortland talked about the purpose of the program. As our veterans and war widows become more frail and aged it may be that this program no longer suits their needs. The purpose of the program was to provide low-level domestic assistance, respite care and support with hazard reduction in the home and in the yard. There may be some veterans whose needs are greater than that, and perhaps they should be assessed for a community aged care package or a program that caters to a higher level of need. I am aware that some veterans in frail and declining health may need to go to a nursing home, but the purpose of Veterans’ Home Care is to provide low-level care to suit the needs of the veterans and to help them to stay in their own homes for as long as they can.

Over 100,000 veterans and war widows have been assessed for this service using the telephone assessment instrument, which we believe is highly effective. I understand that the member for Shortland has some complaints about it but, on my advice, this assessment instrument is similar to the HACC assessment instrument. The member for Shortland said that this program has been cut by $4 million. The amount of money that has been allocated to this program in this budget reflects the number of white or gold card holders that will make up our treatment population for the future. Sadly, it does reflect the fact that the number of aged and frail veterans in our community is declining.

Again, the member for Shortland raised the issue of specialists and said that her veterans have to wait until January for a response from the Department of Veterans’ Affairs. This government has always guaranteed that our veterans will receive specialist care if and when they need it. If the member for Shortland has in her electorate a veteran who is going without specialist care, I need to know about it immediately. We will find a specialist for any of her veterans who are in such a position. To my knowledge, no veteran has gone without specialist care. I urge the member for Shortland to speak to me personally about veterans in that position. I would like to know who they are. Indeed, I ask her to contact my office tomorrow and let me know who they are, so that I can make sure that they receive the specialist care they deserve.

The member for Shortland asked when the government’s arrangements for the income support supplement or the rental assistance for war widows will be carried through. I can assure the member for Shortland that that will be done as soon as our department can accumulate the database that is required. There is a need for information that we have never had in our department before—the number of war widows who happen to be in private rental. That information has to be garnered from the war widow community. However, I do think it is very rich of the member for Shortland to ask about what the government is doing about war widows. It was the Labor Party—I am sure I do not need to remind you, Mr Deputy Speaker Jenkins—that froze out the income support supplement and the indexation arrangements thereto, in the mid-1980s, against war wid-
ows. As a matter of fact, the issue is something that is often brought up by the war widows community when I see them. The member for Shortland also raised the issue of veterans’ home appliances. We certainly are not cutting that budget; we are streamlining the mechanism for delivery. I am sure that the member for Shortland will find that, when we have a closer look at how we can deliver better, her veterans will certainly be very satisfied.

That is about all the answers I have to the questions that were raised by members. Again, I thank them for their contributions to the debate. I invite the member for Shortland to speak to me personally about any issues of concern she has with her veterans. I am here to deliver and to answer—and, indeed, we will. In that regard I commend this legislation to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (8.45 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

APPROPRIATION BILL (No. 2) 2004-2005

Report from Main Committee

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

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (8.46 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2004-2005

Report from Main Committee

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

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (8.47 p.m.)—by leave—I move:

That this bill be now read a third time.
Question agreed to.

Bill read a third time.

APPROPRIATION BILL (No. 5) 2003-2004

Report from Main Committee

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

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (8.48 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

APPROPRIATION BILL (No. 6) 2003-2004

Report from Main Committee

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

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (8.49 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TELECOMMUNICATIONS (INTERCEPTION) AMENDMENT (STORED COMMUNICATIONS) BILL 2004

Second Reading

Debate resumed from 17 June, on motion by Mr Ruddock:

That this bill be now read a second time.

Mr HATTON (Blaxland) (8.50 p.m.)—I am mindful of the hour and the minister’s desire to expedite through the House the Telecommunications (Interception) Amendment (Stored Communications) Bill 2004, which we have before us now, so I do not want to delay the House for too long. This is one of those funny bills, where it is almost like a Shakespearean double negative. The intention, the way in which it is expressed, is to say that something that was previously prohibited is no longer prohibited. The fundamentals of interception, as they are found in the telecommunications bill, relate to the existing, plain old telephone system lines—the fact that it was possible to intercept a telecommunication wire essentially by physical means, by tapping into it, and to do that in a live way, because all telephone conversations were live. Generally under that regime it was necessary for the Australian Federal Police or the state police to get a warrant to be able to undertake interception.

We are faced with a bill where there have been a number of different attempts by the government to construct a way of approaching stored communications and bringing them under the aegis of the bill. There have been about three attempts so far and we have finally got something. In his second reading speech the minister quite sensibly pointed out two fundamental things. The first was that there is a 12-month provision in relation to the operation of this bill. As I understand it, this is the first go at trying to get access, without the need for a search warrant, to
stored communications—in particular, short message service text and multimedia messaging service text—once they are stored in the memory of a mobile phone, on a card, or, alternatively, to get access to stored emails.

The minister has quite rightly pointed out that, whereas it has been difficult, definitionally, to get an agreement in relation to this in the past, we are now faced with a situation where all sides seem to have a rough agreement. Indeed, our shadow minister indicated that at present, in terms of the House of Representatives, we are willing for this second reading to go through. We think the bill should be looked at in the Senate.

The core problems, of course, relate to the interface between normal practice and the change into a much more complex world. In addition to the single telephone line there is a vast range of different ways for people to communicate. The greatest problem, of course, for the Australian Federal Police and other agencies seeking to protect the nation is to trawl through immense amounts of data. Even when they have identified persons of interest and seek to then take action, so far they have been prohibited from accessing areas of information which may be vital to the investigations that they have undertaken.

In an age which has changed over the past 10 years because of the war on terror and the actions of al-Qaeda, Jemaah Islamiah and others, this bill I think is necessary. It is an attempt to grapple with changes in technology and to change the law appropriately—even if here it needs a double negative to do it. So the opposition at this point in time has indicated its support here in the House. It has recommended that the bill go through a more thorough process in the Senate. Being mindful of the hour and the desire to get this through—and also being mindful of the fact that the member for Greenway is shortly to speak—I will leave my observations at that.

Mr RUDDOCK (Berowra—Attorney-General) (8.54 p.m.)—in reply—I thank the honourable member for Blaxland for his short but succinct remarks and his excellent understanding of the nature of the problem we face—and there is a problem; let me just make that very clear. We have been treating this over some time, particularly with the Senate as they have trawled over the matters and have made a number of suggestions. I make no bones about it: this is a short-term measure to ensure that the Australian Federal Police are able to access telephone intercepts for what we regard as the normal procedures, where you are tapping a voice, in effect. For anything else—such as texting, email and so on that you have to read—you go and get another sort of warrant.

We are going to have a longer term inquiry. That is why we have a sunset clause: so that it fixes an end to it. That is really why I am disappointed that, while the amendments have been applauded because they meet urgent operational needs, the potential for delay in the Senate is nevertheless foreseen. If the Senate could deal with it on Friday—get the Australian Federal Police in—and pass it on Monday, perhaps it would not be a problem. But the Senate Legal and Constitutional Legislation Committee has twice considered proposed amendments to the Telecommunications (Interception) Act in relation to stored communications. On the last occasion, the committee recommended that further consideration of the amendments be deferred until the questions surrounding the interpretation and the proposed amendments had been resolved. Those issues have been resolved.

The amendments have been developed by my department in close consultation with the Australian Federal Police and they should be passed without delay. Not only do the AFP support the amendments; they have called for the amendments to be passed as quickly
as possible to meet their operational needs. The amendments are subject to a sunset clause, as I have mentioned, because they are interim in nature and they address immediate operational issues. The need for similar provisions in the long term will be considered as part of a comprehensive review of the communications interception policy that I have asked my department to carry out.

I emphasise again that the amendment is urgently required to ensure the effectiveness of the AFP investigations into serious Commonwealth offences. The amendments address those operational concerns surrounding the lawfulness of means of accessing stored communications. This is an opportunity for the opposition to retain—I hope—some credibility when it comes to matters of national security. It is not enough to suggest that you are supporting stronger intelligence and security law enforcement agencies if you put roadblocks in the way. So I would like you to have another look at it, if you can, and to see whether or not this bill can be approved in the Senate during the course of this week. I commend the Telecommunications (Interception) Amendment (Stored Communications) Bill 2004 to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr RUDDOCK (Berowra—Attorney-General) (8.57 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

ADJOURNMENT

Mr RUDDOCK (Berowra—Attorney-General) (8.57 p.m.)—I move:

That the House do now adjourn.

Sport: Cricket

Greenway Electorate: Electorate Support

Mr MOSSFIELD (Greenway) (8.57 p.m.)—I will tend to some unfinished business first. I was telling the House earlier today about the Australian blind cricket team touring England for the first time ever in August this year to play for the Ashes. They need help financially for the trip. Trivia nights, raffles and footy-tipping competitions will only get them so far. The Prime Minister calls himself a cricket tragic. Well, Mr Prime Minister, this Australian cricket team needs your help. They need the support of the federal government to travel to England to beat the Poms and then to South Africa to beat the Springboks. I call on the federal government to help fund this historic trip for these elite sportsmen who have been chosen to represent our nation in cricket.

On another issue: as I will be retiring at the end of this term of parliament, I would like to take this opportunity to express my appreciation to the electors of Greenway, who gave me the honour of representing them in the federal parliament over the past eight years. Chief amongst these electors is my wife, who has been my companion for over 44 years and has been a great source of support, particularly during my professional career as a trade union official for some 27 years and now during my parliamentary career. Jan’s support and assistance has been invaluable. I would also like to mention a number of other people who have assisted me. The first would be Jack Miller, the current president of the Blacktown branch of the ALP, who worked hard to ensure I won my preselection and has since been a constant supporter. I would also mention Michael Sommerton, Paul Gannon and Rebel Hanlon, who were my campaign directors at various elections.
ALP candidates rely very heavily on volunteers at election time to staff polling booths, letterbox pamphlets and hold shopping centre stalls. It is not possible to mention all the people who have helped out at election time, but I would like to mention Margaret Koczberski, a member of the Lalor Park branch, who sadly passed away a month ago. Margaret was a good example of the unselfish branch members who work for the party without seeking any personal gain. Margaret was always very proud of the displays of posters at her polling booth. Margaret always had a sharp question or comment at branch meetings for us politicians. She also referred to her branch as the ‘premier branch’. She was a true character and will be missed by all who knew her.

Members of parliament rely on the dedication and skills of their personal staff in representing their constituents. Here I have been very fortunate in having Christine Mesa, who has been with me for the full eight years I have been in parliament; Nicole Duffy; Michelle Facchin; Athol Cairn, whom many I am sure would recall; and Steve Duffy, who is in the House tonight. They have all been extremely loyal and hardworking in looking after the interests of the constituents of Greenway.

One of the interesting appointments that I experienced during my parliamentary career was being appointed to the Speaker’s panel in my first term. To say that I was inexperienced in the customs and forms of the parliament would be an understatement. In fact, I did not know what door to enter the chamber when it was my turn to occupy the chair. I remember very clearly sitting in my seat in the parliament, up in this direction somewhere, as the minutes for me to occupy the chair for the first time ticked by and seeing Speaker Halverson and the clerks at the table looking anxiously in my direction, no doubt wondering when I was going to make a move. I may still have been sitting there if the Deputy Speaker at the time, Mr Garry Nehr, had not literally marched up and escorted me to the Speaker’s chair.

Opposition members interjecting—

Mr MOSSFIELD—He did. From that point on, over the next eight years, things proceeded fairly smoothly, thanks to the assistance of various clerks and others in this chamber.

I would also like to express my appreciation to a range of people in this parliament—and I certainly will not have time to mention them all—who help make members’ lives a little bit easier. To the attendants, the cleaners, the library staff, the Comcar drivers and many others, I simply say, ‘Thank you’. Finally, through the various House committees and the occasional overseas delegation, I have got to know members on both sides of the parliament extremely well, and this has been a very pleasant part of my period in the parliament. I simply say to all members, particularly members on the other side, good health if not good luck.

The SPEAKER—I am sure the House joins me in wishing the member for Greenway every success.

Education: Children’s Behaviour

Mrs GASH (Gilmore) (9.02 p.m.)—I also add my congratulations and thankyous to the member for Greenway. Frank, I wish you and your wife, Jan, well. A few weeks ago, I received a letter from the president of a local school P&C association. With the letter came a children’s book titled Graffiti Dog, written by Eleanor Nilsson. This book is an approved text for primary school students, endorsed by the New South Wales department of education. The P&C president wrote on behalf of the P&C association to express the disgust they felt when they found the book contained expletives. And they appeared not
just once but on four pages, and they were the most graphic of expletives.

I know in some quarters the use of four-letter expletives is commonplace and, indeed, in some quarters it has become an accepted part of normal language. It is not something I tolerate. Parents are battling these days to instil in their children acceptable standards of behaviour, and they are doing so in the face of a lot of adversity. Swearing has permeated our art, culture and society to the degree that parents are unable to shield their children from these influences. I accept that children have to make up their own minds and that we can never guarantee they will not succumb to the influences they face in their everyday lives. My point is that exposing these young minds to a book with expletives legitimises the use of swearwords in everyday conversation. If I were to stand here and use that very same language, Mr Speaker, you would censure me, and so I should be. This House epitomises the standards of behaviour we want in our broader community. We rely on our schools to set acceptable standards of behaviour, and that behaviour pattern includes respect for authority figures and peers.

The New South Wales public education inquiry is an independent inquiry into the structure, conduct and funding of public education in New South Wales. The inquiry is funded by teacher contributions to the Public Education Fund and the parents and citizens associations. The inquiry has focused on school violence and its contributing factors. The spotlight has been upon swearing, confronting behaviour, rudeness, disobedience, inattention, inappropriate clowning, refusing to cooperate and generally disrupting the business of learning. While we as a society express abhorrence at the lack of discipline in schools and our leaders seek to comfort us by sympathising with our views, the people we charge with the responsibility seem to be tolerating some aspects of this contributory behaviour.

It is not my purpose here and now to trawl the full ambit of this problem, rather to draw the attention of the House to the apparent inconsistency in policy. Here on one hand, the Teachers Federation, the P&C associations, the education department and individual schools all agree that there is an accepted standard of behaviour, whereas on the other hand we are compelling students to read books that say, ‘It’s okay to use this language.’ There is something clearly at odds here, and I am not surprised that this particular P&C association is disturbed to find that expletives are part of the school curriculum. A teachers’ association recently expressed support for a government decision to spend $46 million over four years to assist students with behavioural problems by establishing 11 new special schools and 17 tutorial centres to cater for these students’ needs. They are saying in this case, ‘Swearing is unacceptable, but here’s a book with swearing in it that you must read.’ To suggest that this smacks of hypocrisy is perhaps an understatement.

There has to be a consistency in approach beyond political correctness and with a higher ideal involved beyond choosing not to offend sensibilities. So imagine my surprise when I read a media release from the New South Wales Teachers Federation. In it, Ms O’Halloran, the President of the New South Wales Teachers Federation, said:

It’s no surprise that student behaviour is one of the dominant themes of the Inquiry. Teachers regularly report that confronting behaviour, refusal to co-operate, disobedience, swearing and low levels of abuse from a small number of students can make the day-to-day business of teaching and learning distressing and difficult.

So what is obvious to the teachers seems lost on the New South Wales department of education. That is indicative of the failure of the
department to come to terms with the needs of parents and the education of their children. Almost 90 per cent of parents in the Gilmore electorate, when asked what is lacking most in schools, will respond by saying, ‘Lack of discipline.’ Why is it not being addressed and why is it not sinking in to the New South Wales government, fettered as it is by political correctness at any cost? I hope this message is delivered to the New South Wales minister for education.

**Newcastle Electorate: Workplace Safety**

Ms GRIERSON (Newcastle) (9.07 p.m.)—Along with my colleagues I wish to extend my congratulations and gratitude to the member for Greenway and also my best wishes for his future. Last week in the *Newcastle Herald* Senator Tierney used the death of Darrin Keeler, a constituent of mine, to attack the CFMEU, accusing the union of exploiting Darrin’s death to increase membership. It seems to me that Senator Tierney was the one exploiting Darrin Keeler’s death for his own political purposes. In a civilised country, human life should always be more important than profits or party politics. The suicide of Darrin Keeler, three months after a workplace injury had rendered him unfit to continue working as a construction labourer, was a tragedy no matter what the circumstances. Senator Tierney should be respectful of the emotional impact of Darrin’s death on family, friends and workmates.

Senator Tierney also cited his position as Deputy Chair of the Senate inquiry into legislation to regulate the building industry following the findings of the Cole royal commission. Tonight the Senate Employment, Workplace Relations and Education References Committee released its report on that inquiry, recommending that the legislation be opposed in the Senate. Fortunately, the inquiry was more interested in promoting cooperation than confrontation, recommending that state construction industry councils be established and be requested to give priority to continuing the development of national safety codes for the construction industry. Interestingly, the inquiry report also exposed the Cole royal commission as the $66 million political witch-hunt it really was, recommending that the increased powers that the Cole commission sought for royal commissions should in fact be resisted. The inquiry actually seeks more advice on whether amendments to the Royal Commissions Act 1902 should be made to ensure that procedures of royal commissions accord with principles of natural justice.

The Senate report also vindicated the CFMEU’s concern for the safety of those who work in the construction industry. In Newcastle the CFMEU has adopted a proactive approach to OH&S issues and deserves praise for that, not an attack by Senator Tierney. The union’s concern for Darrin Keeler showed an empathy born from seeing too many tragedies in workplaces and too little action by the industry and government to reduce these injuries and fatalities. After all, the reality for those working in the construction industry in this country is that a death will occur every week. It is also the reality that 40 per cent of all death related claims to the building industry’s superannuation body are for suicides. When it comes to employers assuming responsibility, it is also the reality, according to the New South Wales judicial commission to WorkCover, that, in three-quarters of work related fatalities, defendant employers were fined only 20 per cent of the maximum penalty. Fortunately, the Senate inquiry report emphasises the need for workplace safety rather than the creation of a separate industrial relations regime for construction workers. This makes sense given that eight times as many days are lost in the industry from injury and illness than through industrial activity.
Senator Tierney last week also chose to defend Michael Curran and Novocastrian Demolition Services, the employer of Darrin Keeler at the time he sustained an injury in the workplace. This was unnecessary and unwise. WorkCover has the role of investigating the late notification of the accident that injured Darrin Keeler and took him out of the work force. It is WorkCover that will consider the employer’s suitability to hold a demolition licence and no doubt they will consider the industry track record of Mr Curran and his company when making that decision.

Sadly, though, WorkCover’s report and the Senate inquiry’s report will not reverse the tragedy that saw a 38-year-old labourer die at his own hands. Perhaps it is impossible to prove that Darrin Keeler’s workplace accident on 11 December—coincidentally, the first day of the Senate’s inquiry—was the direct cause of his subsequent suicide. However, it is known that Darrin was injured at a demolition site in Merewether when a side of the building cartwheeled towards him, pinning him to a fence. It is known that the accident was not reported and no medical attention was sought for Darrin at the time. It is also known that Darrin was unable to work as a labourer and that he sought medical attention. It is known that Darrin presented at the Mater Hospital for his injuries and that further medical investigations were recommended as well as the support of a social worker, who found that Darrin had no money, had not eaten for four days and was in need of immediate welfare and legal assistance.

Sadly, Darrin Keeler was found hanged in his bedroom a week later in poverty and misery, in a city renowned for its generous community and caring spirit. The CFMEU is very right to care about the fate that befell this young man, who was not a union member. It is very right to campaign for workplace safety and for duty of care to be properly exercised by all employers and it is very right to encourage all building construction workers to belong to a union that can come to their aid in times of trouble. I extend my sympathy to the family, friends and workmates of Darrin Keeler.

Macarthur Electorate: Centacare

Mr FARMER (Macarthur) (9.12 p.m.)—I stand before the House today to talk about Centacare, a welfare organisation of the Catholic Church. This wonderful organisation provides a range of human services and it endeavours to be a prophetic voice to alleviate injustice and disadvantage. It is committed to working to improve people’s lives through service and advocacy.

I recently had the opportunity to attend the opening of Centacare’s new office in Campbelltown, which is part of the official welfare service of the Catholic church in the diocese of Wollongong. Its newest headquarters in Cordeaux Street in Campbelltown was opened to meet the needs of the Macarthur electorate. Previously, the centre operated in three different locations. Now, due to the support of Bishop Ingham and the Macarthur community, Centacare has finally been able to open its own centre.

The centre was officially opened by the Bishop of Wollongong, Reverend Ingham, and the Director of Centacare, Kathleen McCormack. The centre follows Catholic social guidelines and also provides assistance for religion to be taught in our schools. Even though it is primarily Catholic teaching, Centacare welcomes people of all religious beliefs and from any social background. Centacare raises funds for the centre by organising its own race day and arts and crafts show. This enables its many dedicated personnel and volunteers to provide welfare services to meet the demand of community needs.
Macarthur is a region of great social variation and, unfortunately, there is still a high number of people of all ages and social backgrounds who need community assistance. I firmly believe that the community is very fortunate to have the assistance of Centacare. I spoke to the coordinators and staff of Centacare and it became very clear to me, as it is to hundreds of people who visit the centre every day, that this organisation is seriously committed to trying to make a difference to the lives of people in the Macarthur region.

The major issues for families in my area are family breakdown; lack of services and inadequate support for the disabled, their families and caregivers; unemployment; and domestic violence. Centacare do their best to alleviate these pains and the everyday worries of thousands of less fortunate people in the Macarthur region. They are constantly recruiting and training new staff to ensure the people of Macarthur receive the best available services. They offer an array of family support programs to accommodate the different needs of the community. Centacare take their services and advice to schools, preschools and various community groups. They organise workshops and courses. They provide counselling for individuals and families who experience personal and relationship difficulties and for those who are suffering loss through death or separation.

Centacare provides counselling for up to 500 people a year in relation to issues of family breakdown, depression, anxiety, anger management and other relationship issues. In 2003 there were approximately 2,500 counselling sessions just with students in Macarthur. By having the services of Centacare available, many young people in my community were able to overcome issues of social pressures, self-esteem and depression. The marriage and relationship program offers couples the opportunity to review their relationship and further develop their skills and gives advice on family planning. They also have parenting programs, which support parents in their roles as educators and caregivers. These programs provide training skills to over 400 parents and caretakers a year. The office of disability provides information and support to those suffering from disabilities and to their families, carers and people in the community. The foster care program provides long- and short-term assistance for children up to 12 years of age when they are in crisis. There are too many children in need of care and often they are at risk of abuse or neglect, or their parents are faced with family crisis and simply cannot take care of their children. Centacare can offer these kids a home and other services to enable parents to better manage their children. There are currently 25 children in care in the Centacare foster care program in Campbelltown.

All these examples show the importance of the family and community work of Centacare. The fact that this organisation has grown so much over the last few years reflects the need for Centacare in our community. We are lucky to have an organisation such as Centacare in our community, and we are lucky our economy is strong enough that interest rates are low and the government recognises the assistance that families need, with the largest ever family assistance package included in the 2004 budget. I commend Centacare for all the great work they offer Macarthur and other regions in New South Wales. (Time expired)

Howard Government: Energy Policy

Mr JENKINS (Scullin) (9.17 p.m.)—From the outset I wish to join with other members in wishing the honourable member for Greenway and his wife, Jan, all the best in the future. I am not sure that Frank realises he can be labelled as a great parliamen-
tarian. I am sure that between now and whenever the election is he will still be in here battling for the electorate that he has represented so well over the last eight years.

In contrast, and in respect to parliamentary procedures, I was a little disappointed last Tuesday when, in this building, the Prime Minister decided that he would launch his vision for Australia’s energy, and the white paper, at a national press gallery event in the Great Hall, rather than come into this chamber and do it by way of a ministerial statement. Following that appearance in the Great Hall, the only opportunity for the chamber to discuss the issues he raised was by way of questions—and there were a number of dorothy dix questions that were a bit ironic, given that the people who had to ask them had been critical of the paper when they had been in their party rooms—and the matter of public importance sponsored by the opposition.

This is one of the aspects of the way in which this place works that I have commented on in the past: we do not announce government policy enough in this place so as to allow for discussion and debate. It is certain that this white paper entitled *Securing Australia’s energy future* had a very chequered critique out there in the public. I think that is fair. Whilst there may be some measures contained in it that have some merit, overall there was a lot of discussion about its lack of balance. That is one of the most important things we need to see in going forward with energy policy and the way in which it impacts on the way we sustainably look after our environment. There needs to be a balance.

Many of the discussions were, as I said, at opposite ends of the spectrum—about whether this was good policy or bad policy, but I think among the comments that should be stressed are those of Professor Andrew Blakers, the director of the ANU’s Centre of Sustainable Energy Systems. He said:

... in order to have a vibrant industry both research and market support was needed.

He went on to say:

Before the energy statement we had market support and no research funding; after the energy statement we’ve got research funding and no market support ...

I think that actually encapsulates the errors in the way in which this policy has been brought forward. If we are going to successfully do the right thing about containing greenhouse as a phenomenon, we have to really look at the way in which we encourage alternative energy sources, while at the same time reducing the impact of the carbon based fuels that are used at the moment.

I am quite happy to have that discussion and to seek that debate about balance. I am quite happy for people to go forward and to try to find clean uses for coal as a source of power. I am quite happy for people, if they want to, to go off and research whether geo-sequestration can actually assist in tackling the problems we have. But I am not happy when all the eggs are put in one basket and it is said that those types of things are the solution, because they are patently—obviously—not.

The parliamentary environment committee did a report into employment in the environment sector, and in a bipartisan comment and recommendation the committee recommended that the Australian government retain, for instance, the mandatory renewable energy target, substantially increase the mandatory renewable energy target as part of a multifaceted approach to increasing market demand for and supply of renewable energy and implement a timely review of the mandatory renewable energy target for beyond 2010, with a view to furthering the uptake of renewable energy in Australia. But what do
we see in the government’s white paper? We see none of that. We see comments that MRET, as it is known, is in fact too great a cost to the economy.

It does not take into account the fact that if we were to move forward there would be great opportunities for increasing jobs surrounding new technologies. These are the sorts of things through which we can have the balance. As old technologies have to be reviewed, perhaps leading to some job losses, at the same time we need to look at the potential that alternative energy sources such as wind, solar and photovoltaics actually have. We should not be looking at developing countries and saying, ‘They are outside the Kyoto umbrella and they are a problem.’ They are actually an opportunity for Australian industries that can develop. They are markets that we can use. Using this as the reason that we do not sign up to Kyoto is an incorrect way of developing public policy. We need to have this balance and we need to have greater vision in the way we develop these policies.

Ryan Electorate: Watoto Child Care Ministries

Mr JOHNSON (Ryan) (9.23 p.m.)—Last weekend, on Saturday, 19 June, 25 ordinary Australians, residents of Kenmore, left Australia for Uganda for a couple of weeks to engage in some activities in that country, namely, to build a school and other community facilities. This is part of the Watoto vision. I want to mention the names of these 25 Kenmore residents who are very generously giving up their time and making a commitment to a wonderful cause. They are going to Uganda as part of the Watoto Child Care Ministries organisation. They are going to engage in activities that will hopefully bring about a change in Uganda’s fortunes. They are involved in long-term goals of providing family care, shelter, education, medical care and spiritual guidance to young Ugandan children who have been left without parents as a result of terrible war and disease.

Half of the population of Uganda is under the age of 15, and many of the adults have died through war or the AIDS epidemic. The children of Uganda need all the help and all the care they can receive from the international community. In the parliament today I want to mention the names of these constituents of Ryan who are doing this wonderful work: Kerrie Rubie, David Gunderson, Marty Wauchope, Christine Oliver, Jacob Senyard, Julienne Wilshire, Mark Rigby, Vic Barrington, Kathryn Garrad, David Borgeaud, David Leth, Vince Ford, Brett Bizzell, Tim Christie, Rebecca Jones, Peter Spanner, Leanne Passier, Rob Sewell, and Luke Rigby. These are residents of Kenmore in my electorate, and they are part of the Kenmore Baptist Church. As part of the Kenmore Baptist Church’s support for the work of the Watoto Child Care Ministry they are going there with the full support of the Kenmore Baptist Church. I am very proud to speak in the parliament as the federal member for Ryan and lend my full support to these 25 outstanding Australians.

I had the opportunity and indeed the privilege to attend a service of the Kenmore Baptist Church two weeks ago with my wife and compliment these 25 Australians who are going over to Uganda. I presented to them Australian flags and packs of Australian items that they are going to take with them to Uganda. In the parliament of Australia I want to again pay tribute to the Kenmore Baptist Church. It is a church that is growing in my electorate and one that is very heavily engaged in community activities and support of youth in the Ryan electorate. It is heavily involved in a whole range of activities to ensure that the young people of the Ryan electorate have a sense of purpose and a sense of responsibility about their lives. I
was very moved by the service that Pastor Ric Benson delivered at the service on the Sunday evening that my wife and I had the opportunity to attend. I thank them very much for their hospitality and the warmth of their welcome. I also pay tribute in the parliament to Pastor John Robertson and his wife Robin, who are heading over to India as part of an Opportunity International program to make a difference to poverty-stricken areas in India. I wish to pay tribute in the parliament to 25 outstanding people from the Ryan electorate.

**Water: Murray-Darling System**

Mr SECKER (Barker)  (9.27 p.m.)—I am in an interesting situation today. Two reports have been tabled: first, the National Road Safety Eyes on the Road Ahead report; and, second, the Getting Water Right(s)—the future of rural Australia report. For both of those committees I have put in a dissenting report. I am not quite sure if that has happened before. It certainly was not planned that way, but as you would know, Mr Speaker, I did not have the opportunity to speak during the reports tabling process earlier today.

I especially want to speak about my dissenting report on Getting Water Right(s)—the future of rural Australia. You would know, Mr Speaker, how important the Murray-Darling is as an icon issue in South Australia, having represented it yourself for over 20 years. You know how important it is to South Australia—to both its future and its industry.

Of course, a large part of Adelaide’s water supply—although it varies during the year—is derived from the Murray River. It is very important for the industry that derives its wealth creation abilities from the river in areas like the Riverland and Langhorne Creek and for those who are living off Lake Alexandrina. All along the Murray River it is very important to us that we get it right.

Unfortunately, what has happened in the past in Australia is that there has been too much of an allocation of water resources in other states. To give you an example, the average use of water in comparison to the flows is about 40 per cent over the whole Murray-Darling system. But if you look at New South Wales alone it is actually well over 80 per cent of the water resources—the water flow in New South Wales—is actually taken out by that state. That is simply not good enough. The water report was, by and large, a fairly good report. But there was a glaring omission in that it did not come out and say, ‘We need those extra 500 gigalitres of environmental flows for South Australia and for the whole Murray-Darling system.’

It is important to get that message to the COAG meeting which is coming up this Friday because it is a very important issue for the health of the Murray-Darling system. There are lots of ways of achieving that: buying back water allocations; better infrastructure; and better irrigation practices. All of those can be used for the betterment and health of the whole Murray-Darling system.

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

House adjourned at 9.30 p.m.

NOTICES

The following notices were given:

**Dr Nelson** to present a bill for an act to amend higher education legislation, and for related purposes. (Higher Education Legislation Amendment Bill (No. 2) 2004)

**Mr Anthony** to present a bill for an act to amend the law relating to social security and veterans’ entitlements, and for related purposes. (Family and Community Services and Veterans’ Affairs Legislation Amendment (Sugar Reform) Bill 2004)
The DEPUTY SPEAKER (Mr Barresi) took the chair at 5.31 p.m.

APPROPRIATION BILL (No. 1) 2004-2005

Consideration in Detail

Consideration resumed from 17 June.

Department of Environment and Heritage

Proposed expenditure, $862,925,000.

Mr KELVIN THOMSON (Wills) (5.31 p.m.)—I understand that there are informal agreements regarding the length of time for consideration in detail of each appropriation. In the interests of time, I will limit my remarks to four distinct issues and seek to cover two of those in my first observations.

My first area of concern relates to the Great Barrier Reef. Last week the government’s energy white paper identified four sensitive offshore basins which are immediately adjacent to the Great Barrier Reef Marine Park as high priority for oil exploration. I was very surprised to discover this. I have expressed the view previously that oil exploration could seriously threaten the Great Barrier Reef, which is of course a World Heritage listed icon. It is well known that an oil slick can travel for many kilometres and an accident involving oil drilling outside the reef, given prevailing currents and winds, could have catastrophic consequences for the reef and the tourism industries which are dependent upon it. Each year 1.6 million people visit the reef and it is at the heart of Queensland’s tourism industry, to which over 200,000 people owe their livelihoods.

I have felt sufficiently strongly about this issue to introduce last year a private member’s bill which would extend the Great Barrier Reef region to the exclusive economic zone, which would have the effect of prohibiting mining and exploration both on and near the reef. The government have not supported my private member’s bill. I am very concerned they have not supported it, particularly as I now see in the energy white paper reference to these offshore basins and the oil-drilling proposal. If I read it correctly, the paper goes on to suggest that exploration in these areas is in Australia’s interest and should be a high priority for government. I am very concerned about that, and I want to ask the Parliamentary Secretary to the Minister for the Environment and Heritage, first, about the status of the previous application, which we were dealing with when I introduced the private member’s bill, from the Belgian company TGS-NOPEC to drill in the Townsville Trough. Is it correct that the government has never ruled this out? Secondly, what is the government’s position, and in particular the Minister for the Environment and Heritage’s position, regarding these offshore basins? Is their position that it is okay for us to have oil exploration in these areas, having regard to the damage which would occur if there were a spill or an accident of some kind? I indicate that I regard this as a matter of extreme concern.

The second issue I want to raise at this point concerns Australian government greenhouse spending. In January last year there was a very good analysis of Australian government greenhouse spending called ‘Missing the Target’, which talked about the amount of time it would take to spend the alleged $1 billion dedicated to greenhouse issues. It is now my understanding that what is called GGAP Round 3 is to be the final round, to the value of just $30
million, and that we will end up with the situation where $400 million was initially allocated to GGAP but, after all three rounds, $178 million is now the maximum allocated, and indeed this figure itself may be revised downwards as further projects withdraw from the program and/or fail to reach milestones.

I also expressed concern about what the real GGAP abatement figure is, because we have seen from the minister’s press release of May 2003 and answers given in May 2004 different abatement projection figures. I express concern that the GGAP abatement figure is a very difficult number to have confidence in and express the view that the true figure may be much less than what is being claimed, which is a serious matter given that recently we learnt that Australians emit the highest per capita emissions in the industrialised world. Indeed, we emit more than either France or Italy in total, never mind per capita, and only 20 per cent less than the United Kingdom. So I raise that question of greenhouse spending with the parliamentary secretary and also the question of oil exploration in the Great Barrier Reef region.

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (5.36 p.m.)—The first issue that the member for Wills, the opposition spokesman on the environment, raised is oil drilling or exploration on the Great Barrier Reef and beyond. The member for Wills thought it would be a good idea if we took out of consideration any oil exploration in the area right to the edge of the economic exclusion zone. Let me assure you that the Commonwealth, under our coalition, is very concerned to do two things. Firstly, we want to make sure that the Great Barrier Reef, which is World Heritage listed, remains at the centre of government attention, as it has under the Howard government. As you know, we have extended the area of the marine park to make it one of the world’s largest parks. Secondly, we certainly have no intention of endangering any part of that extraordinary piece of coral reef through inappropriate activity, whether that is commercial fishing, coral gathering or indeed oil exploration. Where we are allowing oil exploration it is fully considered in relation to not damaging the area adjacent to the reef. Certainly beyond the reef, as you know, each exploration application gets very careful consideration. The member for Wills asked about the status of the application in the Townsville Trough. I will take that on notice and get back to the member for Wills on that issue.

The member for Wills was keen to know the status of spending on the Australian Greenhouse Office, and on the GGAP in particular. The Australian government is very proud that this was the first dedicated office in any nation that was looking at how to reduce greenhouse gas emissions from a country—in this case, Australia—which has a very large greenhouse gas emissions footprint. We found that in some ways the Australian Greenhouse Office when it began was ahead of the pack and a lot of the early initiatives like GGAP required quite a few months, if not years, for different companies to get up to speed to make best use of that grant system. In fact, it is an ongoing process of discussion and there is no limit right now and no intention to contract or claw back what has been promised or put on the table. It is a case of how the applications flow and whether they are applications that meet the criteria of this program and that will deliver the emission reduction targets that Australia has put upon itself and in response to our Kyoto considerations.

Mr KELVIN THOMSON (Wills) (5.39 p.m.)—I continue to be concerned that these areas have been identified as areas of high priority for oil exploration. The Parliamentary Secretary to the Minister for the Environment and Heritage talks about what the government has been
doing in relation to the marine park, but things like the Representative Areas Program can be very much jeopardised and undermined by oil exploration if any accidents or spills occur in such a sensitive area.

In relation to greenhouse spending, the advice I have is that very extensive underspending has occurred in the Greenhouse Office budget—$136 million in 2001-02; $21 million in 2002-03; and $27 million in 2003-04. Further, the total Greenhouse Office funding for 2004-05 is $71 million, compared with the original commitment of $1 billion over four years. That would be a rate of $250 million a year. So we are at much less than that. We could all run around saying, ‘We’re going to spend a hundred trillion dollars on social services in the next 100 years,’ but the point is that spending delayed is spending denied. We have a situation now where the Greenhouse Gas Abatement Program is being brought to a conclusion without evidence that it is genuinely improving Australia’s track record in relation to greenhouse gas emissions.

I want to move on—become of the shortness of time—to ask the parliamentary secretary for a response regarding two other matters. The first of those concerns the issue of dolphins in the Solomons. The advice given to the opposition has been that something like 74 dolphins have been captured since the time this issue was first raised back in September last year and that 64 have gone missing and are believed to have been exported from Honiara. My questions to the parliamentary secretary are: could she provide an update of actions taken by the federal government and outcomes from those actions in relation to the issue of dolphin capture and export back in September last year; can she confirm reports that 74 dolphins have been captured and have been held in pens in the Solomon Islands; and can she confirm reports that the majority of these dolphins have now gone missing and are expected to have either died or been exported? If these reports are correct, the question for the government is: what action is it taking to try to have these dolphins released?

It has been further said to the opposition that an Australian citizen and ex-Australian Navy chief petty officer, Steve Goodhews, has been involved in the capture, transport and detention of the dolphins and that his vessel, the Lalae, has been used to transport the dolphins. I am interested in the parliamentary secretary’s response to this. If these reports are true, what means are available under the Environment Protection and Biodiversity Conservation Act and other relevant legislation to take action in this case? What are the government’s intentions in relation to taking action in this case?

It is important that we take action to prevent the export of dolphins from the Solomon Islands and to ensure that they are being treated humanely. Australia, as the parliamentary secretary would be aware, condemns the international trade in dolphins—which is not legal under the Environment Protection and Biodiversity Conservation Act. From the opposition’s point of view, we certainly want to see attempts being made by this government to ensure that dolphins in the Solomon Islands are not being exported and that proper arrangements are in place to do everything we can to ensure that this does not happen.

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (5.43 p.m.)—The first matter that the member for Wills mentioned was greenhouse spending. He has revisited that particular issue. Having listed a number of years of underspends, it was rather ironic that the member for Wills then wondered why we had reduced program funding in that specific area. As I mentioned in my first response, sometimes a pro-
gram is ahead of the capacity or ability of an industry or private companies to take up the
funding; in particular, when you are talking about new and emerging industries.

I want to assure the member for Wills of our commitment towards addressing climate
change and greenhouse emissions. The new funding provided through the budget and the en-
ergy white paper brings the Australian government’s commitment to more than $1.7 billion in
the greenhouse emissions reduction area. Our original commitment was $1 billion to the Aus-
tralian Greenhouse Office as our spearhead for reducing emissions, and we are more than on
target with $1.7 billion committed. Rest assured that this government will never put funds into
projects that are not fully developed—and, obviously, that do not have a great likelihood of
success—simply because there are so many dollars on the table. We evaluate each application
as it comes in and if no applications are able to meet the criteria then in that particular year
there will be an underspend, which will be made up for in other ways—perhaps when a dif-
ferent program is introduced—to help the industry with whatever stage it is at, perhaps in ca-
pacity building.

The member for Wills raises a very significant issue in relation to how dolphins and other
cetaceans are going to be properly protected and conserved, specifically around Australia and
in the Pacific. If an Australian national is involved in any exercise, obviously the Australian
government is most concerned that any allegations are fully explored and tested. I do not have
the details with me in relation to the dolphins in the Solomons situation, but I can again assure
the member for Wills that I will supply him with that information, provided that it is not sub
judice.

Let me assure him that—as he has probably become aware in recent times—where there is
any suggestion that the Environment Protection and Biodiversity Conservation Act has not
been fully adhered to by an Australian national, whether that be making films in the Antarctic
or working with endangered or vulnerable species, the Australian government is most anxious
to investigate each case that comes up. We have specially trained investigators to do the task.
The EPBC Act offers a range of penalties—as the member for Wills is probably aware—
ranging from simply a sharply worded letter describing the minor transgression, if that is what
has occurred, through to criminal sanctions if there has been a very serious breach of the act. I
will get back to the member for Wills with the details about the situation that he referred to.

Let me assure him that this government is leading the world, particularly in the case of the
Antarctic, in ensuring that our own nationals do the right thing. We have been leading the
world in trying to establish whale sanctuaries in the South Pacific as well as the Southern
Ocean in the past, and all the cetaceous species are beginning to have a comeback under this
government. We want to say that watching whales and dolphins in their natural marine envi-
ronment is far better for Pacific economies and the Australian economy than having these
species caught for scientific or other reasons or having them displayed in closely confined
places.

Mr KELVIN THOMSON (Wills) (5.48 p.m.)—I thank the parliamentary secretary for her
assurances in relation to that issue and look forward to being provided with appropriate in-
formation in due course. I have one final matter I wish to raise. That concerns the Daintree
and the wet tropics World Heritage area and in particular the recent decision by the Douglas
Shire Council to enact a temporary local planning instrument designed to stop the develop-
ment of freehold blocks which have not yet had development applications.
As the parliamentary secretary and others here will know, the Daintree lowlands is within the wet tropics World Heritage area. It is an area with a fantastic wealth of biodiversity; it has, I understand, the highest number of endemic primitive plants in the world; and it is very significant in nature based tourism. Unfortunately, areas of the Daintree lowlands have been sold off which, if developed, would prejudice the value of that World Heritage area and add to threats to endangered species, including the cassowary.

I believe that the Douglas Shire Council temporary local planning instrument is a very far-sighted thing and I welcome the step which the shire council has taken. In enacting the temporary instrument they have talked about a need for financial contributions not only from the council themselves—and they are prepared to do that—but also from the state and federal governments to bring about a more permanent and sustainable solution which protects the Daintree World Heritage area.

I understand the state government has been prepared to contribute its proposed $5 million share of the money required. I urge the federal government to contribute the $5 million which they have been asked to contribute to bring about a more permanent solution. My questions to the parliamentary secretary are: I assume the government are aware of the action taken by the Douglas Shire Council, so do they support the temporary local planning instrument, and are they prepared to contribute the $5 million which is needed in order to bring about a more permanent outcome to resolve some of the more unfortunate development and planning decisions which have been made in the past?

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (5.50 p.m.)—The Daintree is an extraordinary piece of Australia. The biodiversity there is probably amongst the most diverse in Australia—and, of course, Douglas Shire has long been concerned about how to protect that biodiversity. The cassowary protection has been something the schools have taken up, in particular with Natural Heritage Trust 1 funding. There has been a lot of Green Corps work down there—a lot of Work for the Dole participants have helped to protect parts of the Daintree, particularly cassowary habitat protection.

In terms of the shire council looking at temporary local planning instruments, they do indeed need to be more conscious of the encroachment of urbanisation and smaller block development. Under NHT2, the Commonwealth government has put in place a strategic planning process. The Douglas Shire should be, and I am sure is, an integral part of that planning regime which, in addition to vegetation planning, is looking at endangered species protection. This is a new opportunity for regions to work together so they have consistency in planning and some strategic outlook. At this point we have not been engaged closely with the Douglas Shire on this particular issue, but I will certainly look out for it when it comes through, and we applaud the Douglas Shire for continuing the good work that it does.

Given that the member for Wills indicated that was his final statement—

Opposition members interjecting—

Dr STONE—Ah, there is another member who wishes to make some statement. I will make my closing remarks after the words from the next speaker.

Mr MURPHY (Lowe) (5.52 p.m.)—I realise the time constraints. I would like to ask the Parliamentary Secretary to the Minister for the Environment and Heritage a few questions in
relation to the PM’s energy statement made last week and an environmental question in relation to Sydney airport.

Firstly, as for the geosequestration of carbon dioxide from power stations, I would like to know how practical that is because I make the point that for every tonne of coal burned you have to bury three tonnes of carbon dioxide. As an example, Liddell Power Station in the Hunter Valley consumes about 24,000 tonnes of coal a day so would have to dispose of 72,000 tonnes of carbon dioxide per day, and that is a very large amount of gas to pump underground. As you would be aware, carbon dioxide is a gas at normal temperature and would have to be compressed and piped to some remote location to pump into the ground. I have been advised that it is not even a remote possibility, so I ask you if this is correct and, if not, why not? To do all this, it will cost lots of energy—an estimated 16 per cent to 20 per cent of a power station’s output. If this is correct, what impact will that have on power bills? Is it not true that solar power stations are advancing rapidly and will produce electricity as cheaply as coal without the added cost of burying the carbon dioxide?

I have one question in relation to Sydney airport, and I would be happy for you to take this on notice. I understand that the phrasing of chapter 13.1 of the final master plan for Sydney airport implicitly denies environmental impacts of lands immediately adjoining land affected by the Airports Act 1996, and other environmental impacts surrounding the immediate land use and planning factors associated with works and activities on airports act land. If that is so, what action will the minister take to ensure that these impacts are capable of assessment and, if none, why not?

**Dr STONE** (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (5.54 p.m.)—If I can take the honourable member’s first issue first, he referred to the geosequestration technology that was referred to among a number of elements in the new $500 million low-emission technology fund that was announced as part of our energy white paper just last week. This particular fund will stimulate greater investment in low-emission technologies across a whole spectrum of energy sources.

This is just one of those opportunities. It is still in its infancy and certainly not enough is yet on the table for us to have a full-blown program but there is a view that perhaps carbon geosequestration is one of the ways we can deal with carbon emissions. We could put carbon dioxide back into very stable strata where it takes generations—in fact, thousands of years—before there is any likelihood of this carbon dioxide being anything other than locked down there. The idea is that if we could use this funding to successfully develop this process and trial or pilot it, it will be one way that we can have very low emissions from one of our extraordinary sources of energy: our coal.

We are in this country blessed with extraordinary fossil fuel deposits, including some of the best brown and black coal deposits in the world. We do not for a minute suggest that this country can suddenly abolish the use of our fossil fuels—our coals and our gases—and overnight turn into a nation dependent on some of the other energy sources, like wind, solar, hydro and so on. What we wish to do is to also have very low-emission technologies which make greater use of our coals and would allow us to become world leaders, even in exporting such technologies.

One of the technologies that could help our coal fired station energy sector reduce its emissions is this geosequestration concept. It is being investigated in other countries and Australia
intends to be there among those who find whether or not it is the answer for a significant portion of our emissions. Let me assure the member that it is not something that we see as the total answer. It is one of many elements. We should look at every possible way that we can develop emission reduction technologies.

We are also funding things like large scale solar concentrators. We are looking at effective traffic management systems and more energy efficient manufacturing technologies—a whole range of different ways to reduce our emissions. We intend to do it while keeping the economy strong and by keeping the people who currently work in the Hunter Valley and the Latrobe Valley in work in a clean, green industry which will, if necessary, pioneer technologies that can do the job for us.

The member was also concerned about what the environmental impacts might be, if there was a new Sydney Airport development, and how we might deal with those environmental impacts. Let me tell the member that whatever is on the horizons of any local or state governments—or even any private developers—which would in any way threaten habitats or species or heritage values, under our EPBC act it will be looked at. He would be aware that the minister looks at every new project and development that is brought before him and assesses whether or not there is an impact under the EPBC act which would require that project to be modified, changed or even halted altogether. It does not matter what the new project is in Australia. Our EPBC act has a large reach and it is specifically designed to make sure that all of our future development in Australia is sustainable and we do not lose our biodiversity, we do not endanger our species and we certainly do not spoil our great cultural or built heritage.

If I could sum up, the year 2004-05 budget is a very significant budget. Our environment budget was called *A sustainable strategy for the Australian continent*—which is interesting because it extends our budget commitments to the continental shelf area and indeed to the Antarctic. The Howard government have put some $2.4 billion—a record level of support—into environmental action. That is the largest environmental commitment that we have ever seen from any government since Federation. I am very proud to be a part of the government that have managed to do that. It is an illustration of how significant and important we believe the environment and environmental sustainability are for this great country.

As well, the federal government has put our environment right in the front row through the Sustainable Environment Committee, chaired by the Prime Minister, with a whole-of-government approach. Australian government portfolios and agencies are partners in our environmental sustainability strategy, and you see this in all levels of government, whether it is defence, education, health or portfolios like our great industry portfolio. In particular, we look at the lives of people living in remote communities and the resources they need. This is an environmental strategy which is for small country towns and for our large cities, as well as for those who live on the land.

It is a strategic approach to natural resource management and has been complemented just recently by our national approach to energy and greenhouse gas emissions, announced in the new white paper just last Tuesday. Another key feature of the strategic framework is the identification of heritage protection and management as an essential tool for sustainability. The government continues to support major legislation, such as the EPBC act, which has recently been amended to incorporate heritage matters from 1 January 2004.
To summarise, the budget delivered a further $300 million for the Natural Heritage Trust to extend it through to June 2008; $30.3 million over three years to help implement the rezoning plan for the Great Barrier Reef, including a $10.2 million structural adjustment package for displaced fishers and communities; a four-year $463.6 million package to address climate change and greenhouse programs; grants for cathedrals—again, more of our heritage protection; and further funds provided in the contingency reserve for the protection of biodiversity hotspots in Australia.

Taking into account the environmentally related aspects of relevant government investments through other portfolios— that whole-of-government approach I referred to—I just want re-emphasise that we have yet again provided a record level of support for environmental action, to $2.4 billion. I know all of my fellow coalition members are very proud of our environmental achievements and record in government, particularly what we have achieved with reducing our greenhouse gas emissions. They are some of the best results of any developed nation in the world. At the same time as we have grown the economy, we have managed to rein back our greenhouse emissions in a way that we can all be very proud of.

I thank the members of the opposition who have put questions to us, and I again undertake to bring back some of those answers to questions that needed to be taken on notice.

Proposed expenditure agreed to.

Department of Foreign Affairs and Trade

Proposed expenditure, $3,517,507,000

**Mr Rudd (Griffith) (6.03 p.m.)—** The key question of concern to those engaged in the foreign policy debate of this country is our recent adherence to international obligations for the protection of prisoners, our recent performance in terms of compliance with the Geneva Conventions, and specifically the role of the Department of Foreign Affairs and Trade in the above.

I draw the parliament’s attention to a question I asked the Minister for Foreign Affairs on 26 June 2003. This was about three months after the commencement of the Iraq war and only a month or six weeks following the conclusion of the Iraq war. I asked the minister:

Can he explain the system that the Government—

That is the Australian government—

has put in place to ensure that Australia’s international obligations under the Geneva Convention are being met, including (a) who oversees that system, (b) who is physically making that assessment across Iraq, (c) where is that person or persons located and how often are they reporting and (d) how many staff are working on that program.

I emphasise that that question was asked almost one year ago today. The Minister for Foreign Affairs replied on 8 September 2003. In response to that part of my question, he said:

The Government established a legal watch group comprising the General Counsel (International Law), Office of International Law in the Attorney-General’s Department, the Senior Legal Adviser of the Department of Foreign Affairs and Trade, and the Director-General of the Defence Legal Service, as well as experts in international law drawn from each of those Departments. The legal watch group advises on legal matters of relevance to Australia’s participation in the Coalition Provisional Authority (CPA). The group consults with its counterparts in the governments of the Occupying Powers in Iraq, namely the United States of America and the United Kingdom, to ensure that Australia’s international legal obligations are taken into account.
In addition, Australia has assigned an experienced military lawyer to the Office of General Counsel in the CPA in Baghdad. The Australian Representative Office in Baghdad also conveys Australian views on legal and other matters directly to the CPA, and maintains regular contact with Australia’s representative in the CPA Office of General Counsel.

The answer which the minister provided also deals with other aspects of the question which I asked, but the reason that I have placed this on the parliamentary record afresh this evening is to put in stark context the fact that one year ago I asked the Minister for Foreign Affairs precisely what arrangements he was putting in place to ensure that obligations under the Geneva Conventions would be met in Iraq. Of course, obligations under the Geneva Conventions cover, under the third Geneva Convention and in part the fourth, the protection offered for prisoners of war.

The Minister for Foreign Affairs’ reply is quite explicit. It says that he had taken measures to establish an Iraq legal watch group within his department, that it was staffed by three agencies—A-G’s and Foreign Affairs, as well as Defence legal—and that its mission was to deal with other powers involved in the occupation in Iraq, namely the US and the UK, to ensure that international legal obligations are taken into account.

The reason I emphasise this so much at the outset of what I want to say this evening is that the Minister for Foreign Affairs of the Commonwealth of Australia was placed on notice a year ago that the Geneva Conventions were relevant to our period in Iraq as an occupying power and, secondly, was placed on notice as to the importance of his ensuring that he had systems in place within his portfolio to make sure that our obligations under the conventions were being met. He answered to me in parliament in the affirmative, stating quite plainly that a mechanism had been established that comprised three government agencies, the legal experts within them, and furthermore that it intended to liaise directly with other occupying powers in Iraq to ensure that obligations under the Geneva Conventions were met. So the minister was warned. That is all I can say again clearly and unequivocally on the record here.

The question we want to confront this evening in this debate is what then happened on the ground in Iraq as far as the activities of the Australian Representative Office was concerned? Secondly, what communications occurred between the representative office in Baghdad and the Department of Foreign Affairs and Trade here in Canberra? Thirdly, what communications, if any, then occurred between the department and the Minister for Foreign Affairs himself? (Extension of time granted)

On the first of those questions, when did the Australian Representative Office in Baghdad first know that there were allegations of prisoner abuse in American detention centres in Iraq? Here, tracing our way through the Defence estimates and the Foreign Affairs estimates and other material which has come to public light, it is a very murky question indeed. I suppose the key question is this: how many situation reports from the Department of Defence legal representatives in US headquarters in Baghdad were communicated to the Australian Representative Office? From the record so far, we can deduce that the Department of Foreign Affairs’ view is that there were none so communicated, because we have got no record that I can find, unless the minister or the minister assisting, who is at the table at the moment, can enlighten me. What we do have is a record of what happened in terms of situation reports.
which had been put together by legal officers embedded within the Coalition Provisional Authority in Baghdad.

What we have heard from the Department of Foreign Affairs and Trade in estimates is that there were two such situation reports that made reference to prison conditions in Iraq. The first was situation report No. 7, dated 11 June 2003, which I understand dealt with prison overcrowding. According to the department, in its testimony in Senate estimates, the second was situation report No. 16, which covered the period 1-7 September 2003, which did something different—it actually foreshadowed an International Council of the Red Cross prison visit. That, as I understand it, is the record that has been advanced by the Department of Foreign Affairs and Trade in terms of those reports from embedded Defence legal officers with the CPA, which were copied to the Australian representative office in Baghdad.

The thing I do not quite understand is this: the document that has most recently been tabled by the Minister for Defence in the Senate lists a far longer list of situation reports that have been prepared by Defence officers in Baghdad, which were copied to the Australian representative office in Baghdad. If we go through that document, we find that it makes quite interesting reading indeed. We find that situation report No. 8, dated 20-29 June 2003, according to this list provided by the Minister for Defence lists the ARO—that is, the Australian representative office—as one of the original addressees. What does it deal with? It deals with ‘a range of problems dogging detainee management regime’. It also refers to ‘meetings with Amnesty International and the International Committee of the Red Cross’.

Then we have situation report No. 9, dated 30 June to 6 July 2003. Again, the Australian representative office is listed as an original addressee. It says that this situation dealt with ‘follow-up meeting with the International Council of the Red Cross and the press conference re: Amnesty International concerns’. We then go to situation report No. 11, covering the period 10-14 July 2003. Again, according to this list provided by Senator Hill, the Australian representative office, controlled by the Department of Foreign Affairs and Trade, is listed as one of the original addressees. What does it deal with? It deals with a memo from the United Nations Secretary-General’s Special Representative, Sergio Vieira de Mello—who of course was subsequently tragically murdered by terrorists—to Ambassador Bremer on allegations of human rights abuses and issues of transitional justice. I repeat: it dealt with the senior United Nations representative in Baghdad at the time, Sergio Vieira de Mello, and his addressing of a memo to Ambassador Bremer on allegations of human rights abuses. That is situation report No. 11.

Then there is situation report No. 12 of 21-27 July. Again, according to this list provided by Senator Hill, one of the original addressees is the Australian representative office. What does it deal with? It deals with ‘the Amnesty International report on the activities of the Coalition Provisional Authority and meetings with Amnesty personnel’. We then come to situation report No. 19, covering the period 20-28 September 2003. Again, it is addressed to the ARO, representing the Department of Foreign Affairs and Trade in Baghdad. It deals with ‘Human Rights Watch meeting with the CPA, regarding the handling of operations by the Coalition Provisional Authority and CJTF7’—that is, US military headquarters; and ‘ICRC resumed detention visits at Camp Buka this week’. (Extension of time granted)

We then turn to the situation report covering the period—
Mr Neville—Mr Deputy Speaker I rise on a point of order. I do not wish to interfere with the honourable member’s presentation but my understanding was that after a five-minute response the parliamentary secretary would be given a chance to respond and vice versa.

The DEPUTY SPEAKER (Mr Lindsay)—The member for Hinkler will resume his seat. The parliamentary secretary can rise and seek the call and she will be given the call if she rises. She did not rise.

Mr Rudd—We then turn to the situation report covering the period 24-30 November 2003. Again, the Australian representative office, the agency representing the Department of Foreign Affairs and Trade in Baghdad, is listed as an addressee. The report refers to ‘the then Iraqi minister for human rights raised concerns regarding detention practices’ and ‘the officer coordinated ICRC meetings with the CPA and with CJTF7 staff’—that is, again, US military headquarters.

We then turn to a situation report of 29 December to 4 January 2004. Again, the Australian representative office is listed as an original addressee, and what does it deal with? It is that an International Committee of the Red Cross meeting at CPA palace on 30 December 2003 noted preparation for a large-scale visit to Abu Ghraib. Then we have a situation report covering the period 5-11 January 2004. Again, the ARO is listed as an original addressee, and what does it deal with? It refers to an ICRC visit to Abu Ghraib. The situation report of 12-18 January 2004 again lists the ARO as an original addressee, and again it refers to the ICRC having commenced a visit to the high-value detention facility, which I understand is the general term used for Abu Ghraib.

The situation report of 19-25 January 2004 again lists the ARO as an original addressee. What does it deal with? It refers to an ICRC visit to the high-value detention facility. A situation report for 26 January to 1 February 2004, again addressed to the ARO, refers to a proposed visit by the ICRC. The situation report of 2-8 February 2004, again addressed to the ARO, refers to an officer having chaired a meeting between the ICRC rep and coalition officers. I repeat, the officer—that is, an Australian officer—chaired a meeting between a representative of the Red Cross and coalition officers. We have the situation report of 9-15 February 2004, where the Australian representative office is again listed as an original addressee, and it refers to an ICRC report delivered to Ambassador Bremer during the week which was detailed, comprehensive and highly critical. We have the situation report of 16-22 February 2004. The Australian representative office is again listed as an original addressee, and what does it deal with? The officer will coordinate strategic issues between the Red Cross and the coalition provisional authority. The situation report of 23-29 February 2004 again lists the ARO as an addressee, and here we have an officer chairing a CPA/CJTF7—that is, American field headquarters—meeting with the Red Cross. The report for 1-7 March 2004 again lists the ARO as an addressee. Here we have a reference to the officer participating in a CJTF7 working level meeting with the Red Cross delegation—that is the American military again.

We are nearly finished, but we have a further situation report of 15-21 March 2004. Again, the ARO—that is, the representative of the Department of Foreign Affairs and Trade in Baghdad—is listed as an original addressee, and what does it deal with? It refers to advice received that ICRC has made a number of negative comments about the high-value detention facility known as Camp Cropper. Then we have the report for 29 March to 4 April 2004, where we do not have a reference to the ARO as being an addressee. In fact, that column is left blank here.
But that sit rep refers to the officer having chaired a coordination meeting at the CPA involving the Red Cross once again. The sit rep for 12-18 April 2004 again lists the ARO as an original addressee, and it deals with the officer having chaired an ICRC, CJTF7—that is, US field headquarters—and CPA detention coordination meeting. Finally, the report for 19-25 April yet again lists the ARO as an addressee, and it refers to the officer coordinating the handover of the remains of detainees killed in a mortar attack at Abu Ghraib.

All of those situation reports actually occur prior to the release on 28 April this year of the appalling photographs which have been the subject of such enormous debate in the United States, the United Kingdom and Australia. But the reason I have read through, at some length, what is in these individual situation reports is to simply highlight one point. According to the Department of Foreign Affairs and Trade in its estimates—unless I have missed something, and I may have—there were two situation reports sent to the ARO which referred to prison conditions. (Extension of time granted) But the Department of Defence, as I have exhaustively read in that list of situation reports covering that entire period, did not have two situation reports being sent to the Australian representative office in Baghdad; it had 20 situation reports copied to the Australian representative office in Baghdad—not two but 20. It appears to me that here we have a basic conflict in the record between the two agencies.

What I am seeking from the parliamentary secretary at the table is some reconciliation of these two conflicting accounts. It may well be that I have not seen all the evidence that has been placed on the public record; but, if I contrast what is here in this list tabled recently by Senator Hill with that which has been put in the public domain through the most recent department of foreign affairs estimates, there appears to me to be this basic conflict. When you drill down further into these 20 situation reports and look at what they contain, these are not marginal matters. Firstly, there are 18 references to Australian liaison with the Red Cross. The Red Cross is not an accidental organisation; the Red Cross is the agency charged under the Geneva conventions with the particular mandate and responsibility to ensure compliance with the conventions where you have prisoners of war, in whichever theatre of war. There are 18 references to an Australian officer liaising with the Red Cross. Secondly, we also have three references to Amnesty International—either meetings with Amnesty International or an AI press conference or the Amnesty International report, I believe, of July last year. On top of that, these situation reports also refer to the representations made by Sergio de Mello to Ambassador Bremer on allegations of human rights abuses in Iraq.

These are most significant matters—these are not peripheral matters. They go to the central question of whether or not conventions concerning prisoners were being adhered to in Iraq. And again we have this basic question, which must be reconciled, of the conflict between the two accounts which have been presented so far. The key question lies not so much in the conflicting accounts about what the ARO heard in Iraq, though that is important; the key question, as I see it, is: what information came back from the ARO and/or other sources to Canberra?

Remember, Mr Deputy Speaker, that at the outset I read from the Hansard and said that the Minister for Foreign Affairs had established a legal watch group specifically targeted on Iraq, comprising the three agencies of state—Defence, Foreign Affairs and AG’s—and legal officers to ensure compliance with the Geneva conventions. That is being set up in Canberra. The minister confirmed that to me in the parliament last September. In the period both before and
after that we have evidence, based on the advice contained in this list presented by Senator Hill to the Senate, that 20 situation reports were passed to the Australian representative office and there were multiple dealings with the Red Cross, Amnesty International and other organisations, including the UN special representative, Sergio de Mello. So the key question is: what happened?

This group was set up, according to Mr Downer, to deal with these problems. What we have from Senator Hill is the fact that there is actually a huge pipeline of information rocketing its way back to Canberra—about the Red Cross, about Amnesty International, about Sergio de Mello. So, what actually happened? I think, when it comes to this question, we need to again be clear about the chronology. As I understand it from the record—from what the Department of Foreign Affairs and Trade said in the estimates—this legal watch group in Canberra started receiving these situation reports from 24 November 2003. The ARO seems to have been receiving these reports from sometime earlier than that, but DFAT told us that in Canberra they were passed on from 24 November.

So the key practical question is this: how many situation reports actually found their way to this legal watch group set up to govern convention obligations for Iraq? The answer, based on the chronology that I have just read out, is 14. There are 14 individual situation reports out of Defence which deal with these convention compliance matters as they relate to the conditions of prisoners in Iraq.

To look specifically at what DFAT did with this information when they received it, let us take one as an example—the situation report of 24 November. That is an important one because it deals, as I understand it, with the meeting which occurred with the Iraqi minister for human rights, who raised concerns about coalition detention practices, and also with an Australian officer coordinating ICRC meetings. (Extension of time granted) The question that then arises is: what happened about that particular situation report, which conveyed back to the legal watch group in Canberra these concerns raised by the Iraqi minister for human rights, specifically about coalition detention practices?

What we have from Senate estimates, as I understand it, is DFAT saying that they briefed the minister that there were a series of reports from ADF legal officers basically focusing on process issues. Elsewhere I understand DFAT said that they ‘took no action’ in response to that report. I have to say that I find that quite remarkable. If you established in September—according to the Minister for Foreign Affairs—an Iraq legal task force which was designed to ensure convention compliance, and then come November you have a situation report which is confirmed to have been received by DFAT in Canberra and that report contains an allegation by the Iraqi minister for human rights that there are concerns about coalition detention practices, would you not think that someone would do something about it, or is this simply misplaced optimism on my part?

If you go to the other situation reports that have been received over this period of time, a parallel set of questions arises. What was the 11 January sit rep reference to an ICRC report to General Sanchez about? What did it contain? What action was taken by the Iraq legal watch group as far as that situation report is concerned? Here I am referring to the information which has been provided so far through DFAT estimates. Secondly, we have the 18 January sit rep. There was a public controversy on prisoner abuse which had focused attention on the is-
sue. Again, what action was taken by the Iraq legal watch group in response to that situation report given the summary that has been provided of it?

We have, furthermore, a 29 February sit rep which referred to ‘very serious allegations’ discussed during an ICRC, CPA, CJTF-7 meeting. Again, what was done in response to that? Furthermore we have a 15 February report, which is often referred to as the Muggleton report, which offers broader comments on US approaches to detention issues and ‘makes some observations about US and Australian approaches in a broadbrush way on detention issues’. We were advised, again through estimates, as I understand it, that these matters were raised in broad terms at the 26 February meeting of the Iraq legal watch group in Canberra, but we are not advised as to what action was taken by the Iraq legal watch group once that information was provided.

The final one I would like some response to is the situation report of 2 May. It refers to the possibilities of the sorts of incidents depicted in the photos having been foreshadowed in earlier sit reps, including the sit reps of 29 February and 9-15 February.

The reason that I have referred to this in some detail is that it points to a large number of situation reports which it seems to be confirmed were received by the Iraq legal watch group established by the minister to ensure compliance with the Geneva conventions, but we have no evidence here as to what action was taken by the Iraq legal watch group in response to each of the situation reports. They are not dealing with abstract matters; they are actually dealing with quite specific matters which relate to the treatment of prisoners, the role of the Red Cross and the role of the coalition authorities in maintaining the detention system. These are most serious matters. The key questions that we seek answers to are: what action was taken and, if no action was taken, why was it not taken? The minister was quite explicit in saying back in September that he had established this Iraq legal watch group to ensure that these sorts of convention obligations were adhered to.

The other thing I would like to touch on is the question of the minister’s own knowledge. What I have dealt with so far is, firstly, what information came to the Australian representative office in Baghdad; secondly, what information came from the Australian representative office and other sources to the Iraq legal task force and the Department of Foreign Affairs and Trade in Canberra; and, thirdly, what actually went on to the minister—he who boasted in parliament last September that he had established this thing called the Iraq legal task force to ensure that all obligations under the Geneva convention in relation to detained prisoners were being met. What about the Minister for Foreign Affairs himself? On the public record he has said in relation to his knowledge of the sorts of abuses which became apparent through the photographs released on 28 April that his first knowledge of allegations of prisoner abuse came from January, referring to a press release at the time. (Extension of time granted)

There is a little problem which has now emerged for the foreign minister on this question. Last week in question time in the House of Representatives I asked the foreign minister when he came into possession of this little document I am holding, which is the Amnesty International report of July 2003 entitled Memorandum on concerns relating to law and order. You will recall that I made some reference to that, Mr Deputy Speaker, because it features in some part of the discussion between officials in Baghdad in their dealings with the Red Cross, with other officials and directly with Amnesty International officials in Baghdad.
My question to the minister in parliament last week was: when did you receive this? After refusing to answer the question, he came back at the end of question time and said, ‘Well, of course this document entered the public domain on the Amnesty International web site as of about July last year.’ That was a very interesting revelation, because what we have then is the minister’s confirmation that this document was available to him, to his office and to the Department of Foreign Affairs as of July last year. But the minister’s contention was that he was not aware until this year of the sorts of abuses at Abu Ghraib which became evident through the publication of photographs.

What are the sorts of abuses which became apparent at the Abu Ghraib prison through the photographs released this year? In part 5 of its report of July last year, Amnesty International welcomed certain things that the authorities had done, but went on to say:

… the organization has received a number of reports of torture or ill-treatment by Coalition Forces not confined to criminal suspects. Reported methods include prolonged sleep deprivation; prolonged restraint in painful positions, sometimes combined with exposure to loud music; prolonged hooding; and exposure to bright lights. Such treatment would amount to “torture or inhuman treatment” prohibited by the Fourth Geneva Convention and by international human rights law.

This is a statement from Amnesty International from July last year. Elsewhere in this report it indicated that the information upon which it based its reports is from Amnesty delegates that it has had present in Iraq since 24 April last year—in other words, covering the period April, May and June, with the report coming in July. Therefore, what we have from this report is a clear demonstration that the report contained a specific alert to those sorts of abuses, which are totally in contravention of the fourth Geneva convention. This is the report which the minister said in parliament last week was available publicly as of July last year.

So the question for the foreign minister to answer is this: what were your officials, what was your office and what were you doing when this thing was released in the middle of last year? It goes to the core of a large number of the abuses which became documented this year. This was produced in the public domain six months beforehand. The minister himself confirmed that it was available on the web from that time. What did he do about it? We do not have an answer, though we were told earlier on that the Minister for Foreign Affairs had established the Iraq legal task force in order to ensure full compliance with the Geneva conventions.

Of course the foreign minister’s response to all of this was as follows: what did the opposition do about it? Why didn’t we jump up and down about it at the time? I will tell you why: we had a view, based on this formal undertaking to the parliament by the Minister for Foreign Affairs, that these matters were in hand—properly in hand. I asked him in June last year, ‘What systems have you put in place to ensure convention compliance in Iraq; what reporting mechanisms have you established; and what group of officials have you got working on this?’ He answered me in September and said, ‘I have established the Iraq legal task force.’ But when it comes to simply accessing this document, which contains this information in the public domain, apparently no action was taken by the Iraq legal task force on this matter. So we as an opposition foolishly placed our confidence in the minister’s assurance to the parliament in September last year that he had the mechanisms in place to ensure that any question of noncompliance with the conventions was going to be dealt with.
Why is all this important? It is important because in this period Australia was an occupying power. There is a dispute between us and the government as to the term of the occupation, but this Amnesty International report for the period April, May and June last year covers a large slice of the period of time when the government itself does not contest that it was not an occupying power. (Extension of time granted) So this is a most significant matter, because this report from Amnesty International deals with a period where even Mr Downer, Senator Hill and the Prime Minister accept that Australia was an occupying power and therefore part of the conjoint government of Iraq, and therefore legally responsible under the conventions for ensuring that all prisoners, be they civilian or military, were properly treated in accordance with the conventions. This is a most serious matter.

We will leave to one side the debate between us and the government about when the period of our occupation or role as an occupying power ceases. We have argued that that ceases as of 30 June this year, because that is when the interim Iraqi government takes over. The government has chosen to part company with us on this, but that is a debate for another day. But I do note in passing—and I would appreciate the parliamentary secretary’s response to this as well—that in legal opinions which have been tendered by Professor Gillian Triggs of the Faculty of Law of the University of Melbourne, Andrew Byrnes, Professor of the Centre of International and Public Law, Faculty of Law, ANU, Hilary Charlesworth, from the same university, and Gerry Simpson, Reader, Law Department, London School of Economics, all of them contend quite clearly in these two separate legal opinions that Australia’s responsibilities as an occupying power are clear cut, and that furthermore we have particular additional responsibilities as a detaining power.

This leads us, in conclusion, to this arcane debate which the government has engaged in about what our responsibilities as a detaining power are. We have an exercise in medieval metaphysics engaged in by the government—through some of its advisers as well, I fear—trying to remove Australia from any responsibility for those prisoners it has taken into its custody. Article 12 of the fourth Geneva convention is very clear on this. It says quite plainly that if you detain a prisoner, which means you take that person into your custody, and then hand them over to someone else for the purposes of incarceration, you, the detaining power, maintain responsibility for that prisoner once you have handed them over.

Of course, what the Australian government sought to do was to legislate their way out, by legal agreement—or sublegal agreement—with the Americans and the British, from any responsibility for having detained those people it captured in the first place. The legal fiction the Australian government seeks to construct is: if I go out there and actually arrest somebody in the context of a military operation, I have not detained them—of course not—because I have an American chap with me in the field. Having arrested this guy in the middle of a battle and handed him over to the American up the back here, he becomes the detaining power as of that millisecond, therefore getting us off the hook for any legal responsibility for this guy’s well-being subsequently. So we have troops in the field. They, we now discover, have actually physically detained 120 Iraqis in the period of this war, and we have this cute arrangement—which would fail against any test of law if it was to be heard internationally—whereby the Australian government is saying, ‘Oh, we didn’t detain this person. They have simply been handed over to the Americans, who become the detaining power at that point.’ This simply does not stack up, and I draw honourable members’ attention again to the legal opinions I...
have referred to before, which make it plain that we have responsibilities as a detaining power for those individuals as well.

What specifically are those responsibilities? They are as follows. Firstly, when we are part of the conjoint occupation of Iraq we are required to have set in place a proper system for the detention of all prisoners consistent with obligations under the Geneva conventions. Furthermore, on top of that, we have a particular responsibility for the physical protection of those prisoners taken in that March to May period when the government itself concedes that we were an undiluted occupying power. Thirdly, for the 120 individuals who have been incarcerated by Australians, we have a responsibility to ensure that their cases have been taken into account.

To conclude, we have a Minister for Foreign Affairs who acts as Pontius Pilate on these matters, not just pushing to one side the Australian government’s responsibility for ensuring that its obligations under the Geneva conventions are met in relation to these individuals, but Pontius Pilate also in relation to the poor old Minister for Defence. He has been sold the total hospital pass on this. It is all a Senator Hill problem; it is not an Alexander Downer problem. We know what an absolutely fine relationship those two individuals have with one another. They loathe each other; they hate each other’s guts. But what we have got right now is the foreign minister ducking for cover allowing the defence minister to take the entire responsibility on his shoulders, whereas fundamental questions need to be answered given the documentary record I put before the parliament this evening. The Minister for Foreign Affairs must make a full statement to the parliament outlining what action was taken in response to the information he was given about convention compliance.

Mrs GALLUS (Hindmarsh—Parliamentary Secretary to the Minister for Foreign Affairs) (6.39 p.m.)—The member for Griffith in full flight is something indeed to behold. My apologies to those following, as we seem to have in one speech gone well over our full time. During his speech the member referred to, and these are his exact words, ‘a question I do not quite understand’. May I refer his very own words back to the member and remind him that we are actually looking at the appropriations in detail.

I am glad that the member does not seem to have any problem with the actual appropriations. We have the biggest ever aid budget, which is now at over $2.133 billion. I presume that, having made no comment on it, the member has no problems with it and nor with the way the aid money is distributed. I take his silence as congratulations to this government that we are now in fact providing 0.26 per cent in overseas development assistance. Neither in the DFA T issues have I heard any reference to the money that we will be spending on the biometric passports, so I conclude from this that the member is indeed very happy for us to be spending that money and indeed has no concerns about any of the appropriations at all.

I turn to something of the substance that the honourable member was talking about. He referred quite frequently to estimates and what in his view was a conflict between what was found out in Defence estimates and what was found out in DFAT estimates. I suggest to the member for Griffith that this is not the place to discuss anything that happened in estimates. Perhaps he should have asked his own senators to explore that, because indeed this is an examination of the appropriations in detail. As the member for Griffith and nobody else has raised any other questions and as we are now well over time for our segment, I shall leave it at
that and be very glad that everybody is so very happy with our aid budget and indeed our
DFAT budget.

Proposed expenditure agreed to.

Department of Health and Ageing

Proposed expenditure, $3,919,103,000

Mr GRIFFIN (Bruce) (6.43 p.m.)—I rise on the question of detail in respect to health and
ageing to raise with the minister a number of cases that have been brought to my attention.
Some of them she may have some difficulty in answering on the spot and I am happy if she
comes back to us at a later date, if that could be done. But what I will do now, in order to help
move proceedings along, is read out the examples. If she would be kind enough to comment
at the end of that I would appreciate it. That might help me move along at a faster rate than if
we were jumping up and down on half-a-dozen occasions.

I am reading explicitly from communications that have been received, so I will go to that
now and apologise in advance for some of the grammar. In some cases anyway it may well be
me. This is the first case:

My partner has been diagnosed with a brain tumour. I was sitting in a waiting room of a private suite.
Before us, a couple came out of the consulting room looking obviously very alarmed by the news just
received. The doctor came out and asked his secretary to organise an intervention for the next morning
at 6.30 a.m. As discussion progressed, the patient is asked directly to pay $10,000 in cash or bank
cheque. There was no access to credit, EFTPOS or personal cheque accepted for payment by the hospi-
tal, who would not accept the patient before cash payment was made. The doctor forwarded a personal
cheque for the hospital and the couple gave a personal cheque to the doctor in return.

(Extension of time granted)

That is one case, which I would like the minister’s comment on if she is able to.

The second case reads:

Following up for a constituent has revealed that, if families are electing to receive their FTB part A as a
lump sum, they will not be entitled to receive the increased benefits of the new safety net until next
year. Is this something that you were aware of? This is info provided by the Brisbane office and they
were struggling with it all, but thought I would pass it on anyway. Further inquiries on behalf of the
constituent also revealed that, even though she had changed her FTB part A over to fortnightly pay-
ments, thereby risking a debt, and produced a letter from Centrelink confirming the changeover, Medi-
care could not act to allow the increased benefits until their system was updated, which could take a
couple of weeks.

The third case reads:

She has a 16-year-old son who no longer goes to school and is not studying, therefore ineligible for
youth allowance. He has no income whatsoever. When his mother went into Medicare to register the
family for the safety net, she was informed that because her son is 16 he does not qualify as part of the
family for this new system. He is on her Medicare card and she pays all of his expenses, medical and
otherwise. My husband is pretty sure that he heard her say something about a person needing to be 18
before qualifying as a single person for the safety net, which of course means that those people aged
between 16 and 18 fall into a black hole.

The fourth case reads:

I am a 76-year-old widow pensioner, and I have just received the booklet from the Prime Minister with
regard to the Medicare safety net for pensioners and I would like to query this with my recent experi-
House of Representatives

31021

Monday, 21 June 2004

Hansard

ence with Medicare. On 2 March I had two basal cell cancers removed from my face by a plastic surgeon. I was charged $300 over and above the scheduled fee. I contacted Medicare with regard to this being now my safety net, but as there was no item number quoted on the receipt I was informed that I would need to get the plastic surgeon to give it a number. On inquiring from the plastic surgeon, I was informed this charge was for the use of his operating room and therefore not applicable.

The fifth case reads:

I went to Medicare on Thursday to collect payment from a doctors visit. Whilst there, they registered me for the safety net and then told me that we as a family had passed the $300 out-of-pocket expenses. They informed me that they would not be able to start paying me the 80 per cent gap payments until I supplied them with either receipts or statements from the doctors/specialists of the payments we have made. I found this interesting, because they already have all the details, we have been reimbursed and they keep all the receipts. So we have to approach all doctors, specialists, radiographers et cetera et cetera we have seen. They stated that they would send us a letter outlining all that we needed to do to get the 80 per cent gap payments. This would be difficult for those that are very sick and frail, and I believe that this process is set up to deter people from claiming the 80 per cent gap payment that they are supposed to be entitled to.

I have another two questions, and again I apologise for the sketchy nature of the information. One is a suggestion that a constituent rang the hotline and was told that there is no need to register to be eligible for benefits. I would like to get a comment on that. The last point I would like to raise is: can the Minister for Ageing inform us as to what, if any, advice has gone out from the minister or the department to help individual MPs with questions about the safety net?

Ms JULIE BISHOP (Curtin—Minister for Ageing) (6.49 p.m.)—The member for Bruce reeled off a series of scenarios, and I have to confess that my shorthand is not as good as it used to be. In fact, my shorthand has never been good. So I did not quite keep up with all of them. He did offer me the opportunity to take these questions on notice, as it were, and I am sure there is somebody on the government side who would be only too happy to sit down with the member for Bruce for as long as it takes to answer his questions.

In relation to a couple of the issues, particularly the first question in relation to the communication that the member for Bruce received, where the people were overhearing a conversation between a doctor and a patient—something about a $10,000 cash payment—this is an in-hospital issue. The Strengthening Medicare safety net is not directed to in-hospital issues, so it is not a safety net issue. That is obviously why the government supports private health insurance and the rebate for private health insurance. Also, I do point out that, although the government is responsible for setting fees for Medicare benefit purposes and for the payment of Medicare benefits, we do not have any direct power or authority to determine the fees charged by doctors or their billing practices. Nor can we compel them to observe the MBS fee for a particular service. As the member for Bruce well knows, medical practitioners are free to set their own value on their services, and the actual fee charged is a matter between the doctor and the patient, although, of course, the government would implore doctors to show compassion when dealing with scenarios such as that referred to by the member for Bruce. Again, this is a very strong argument for supporting rebates for private health insurance.

The second issue I believe related to family tax benefit A. If I understand the member for Bruce correctly, if a person chooses to receive access through the tax system then, yes, the threshold will be the following year. In relation to the third scenario about the 16-year-old, I
can confirm that, to be considered part of a family for the purposes of the safety net, a child must be either dependent and under 16 years or a full-time dependent student under 25. If a child turns 16, they would still be considered part of the family for safety net purposes provided they were a full-time dependent student. However, if the child is no longer a full-time student or is living independently, they would no longer be considered part of the family for the purposes of the safety net. I must say that I cannot recall the particular circumstances that the member for Bruce referred to, but, as any family approaches the safety net threshold, Medicare will contact them to confirm the registered family has not changed and to substantiate any further gap payments that might have been made. If the family has reached the safety net threshold prior to the child becoming independent, the family, including the independent child, will continue to receive higher benefits for the remainder of that calendar year. In the following calendar year the independent child would be considered as an individual for the purposes of the safety net.

For scenario 4, all I got was that it was about a plastic surgeon, so that is one I will have to come back to you about. On scenario 5, in relation to the keeping of receipts, I confirm that receipts should be kept. Was there another? I recall the five and, on that basis, I will hand back to the opposition.

Mr GRIFFIN (Bruce) (6.52 p.m.)—I thank the minister for her response. There are a couple of other issues in there which she will need to have a look at, but the other two points that I made towards the end were not actually a scenario. A question had been raised along the lines of a constituent having rung the hotline and being told that there is no need to register to be eligible for benefits. Is that the case? The second thing was: has any advice gone out from the minister or the department to members of parliament about dealing with questions regarding the implementation of the system and the safety net?

Ms JULIE BISHOP (Curtin—Minister for Ageing) (6.53 p.m.)—In those circumstances, I will take those two matters on notice and liaise with the senior minister’s portfolio department and get back to the member for Bruce.

Mr MURPHY (Lowe) (6.53 p.m.)—I would like to raise with the Minister representing the Minister for Health and Ageing why money was not appropriated in the budget for a Medicare-eligible MRI licence for Concord Hospital. Minister, the health minister is well aware of a longstanding campaign that I have been running in the parliament, over more than two years—with his predecessor, and him more recently—to get the government to grant a Medicare-eligible MRI licence for Concord Hospital. I would explain that Concord Hospital is a teaching hospital of Sydney University and it is also the veterans’ hospital.

The tragedy of this issue is that the minister has met with medical staff associated with the hospital and he gave them a clear expectation that he would be granting the licence for the MRI machine in the foreseeable future. So the administrative staff and the staff of the radiology department of Concord hospital, the academic staff of Sydney University who work at the hospital and indeed the veteran community—the RSL and the War Widows Guild, for example—have an expectation that the minister will be granting an MRI licence.

I draw to the attention of the minister representing the Minister for Health and Ageing that on 9 June Minister Abbott announced that the government would be funding 23 more Medicare eligible MRI machines. One of the three locations that the minister announced included the federal seat of Adelaide, the government’s most marginal seat in South Australia. You can
imagine how that has gone down with the people I have been representing for a long period of time. The minister has stated that the remaining 20 locations will be announced within a few weeks, after consultation with the radiology profession and clinicians.

During members’ statements just before question time today, I raised this issue again. I was hoping that the minister would be here tonight so that I could ask him face to face. I do not think it is doing the minister any good that he has not granted the licence. I would like the Minister for Ageing—if she cannot give an answer now—to go back to the Minister for Health and Ageing and ask him when he will grant the MRI licence for Concord hospital or whether he has now changed his mind.

As my colleague the member for Fraser, the shadow minister for finance, well knows, we are going to provide an MRI licence to Concord when we get into government. The state Carr government has purchased, at a cost of $2.8 million, the MRI machine—a state-of-the-art machine—and it is going to be installed very shortly. I suspect that, within these 20 locations, the minister might cynically be about to announce that Concord is going to get one but we will have to wait until the election is called. I suspect that that announcement will be done by the minister side by side with my opponent outside Concord hospital. I think that is pretty cynical and I do not think it will go down very well with the administrative staff at the hospital, the academic staff of Sydney University, the veteran community, the staff of the radiology department or the other specialists who are dependent on this vital piece of equipment.

I would ask the Minister for Ageing to take that question back to the minister if she cannot answer it now. I would ask her to clarify the situation, because it is becoming quite embarrassing for the minister. He cannot give medical staff associated with the hospital—people who have a passionate interest in this matter—nods and winks that it is going to be granted and then just wait cynically until very shortly before the election to announce that it is going to be granted—against the background that one was announced last week in the seat of Adelaide, the most marginal seat in South Australia.

Ms JULIE BISHOP (Curtin—Minister for Ageing) (6.59 p.m.)—The member for Lowe raised the issue of additional Medicare funded MRI units. Without a doubt, expanding access to MRI units is a key government priority. It is reflected in the radiology quality and outlays memorandum of understanding with the Royal Australian and New Zealand College of Radiologists and the Australian Diagnostic Imaging Association. There has been a great deal of collaborative work done to expand Medicare access to MRIs. The department has consulted with the profession and with other key stakeholders on the initiatives, and discussions around this issue are of course complex.

The member for Lowe refers to an announcement of 23 more Medicare eligible MRI machines, and, of course, that is the case. I reject absolutely his charge of a cynical allocation of MRI machines. We are talking about the health, safety and welfare of all Australians. The federal seat of Adelaide covers the city of Adelaide and surrounding areas. I have no doubt that the good people of Adelaide and of South Australia are also worthy recipients of an MRI machine. There are always competing demands for limited resources. In relation to the specific allegations that the member for Lowe has made against the Minister for Health and Ageing, suggesting that he is giving a nod and a wink, that is not the minister’s style, it is not the way the minister would operate. I will take the matters on board and raise them directly with the Minister for Health and Ageing. Without doubt, the overall package announced in the 2004-05...
budget is a substantial investment in the health and ageing needs of the Australian community, including communities that need and deserve a Medicare accessible MRI machine.

Mr MURPHY (Lowe) (7.01 p.m.)—Minister, I want to make one final point. All the people that I have referred to, whom I represent here tonight in the parliament, well remember the MRI scan scam and the penchant of the minister, and the minister’s predecessor, for looking after private radiologists in relation to MRI machines.

Ms JACKSON (Hasluck) (7.01 p.m.)—I hope the minister might be able to provide some clarification on the issue of districts of work force shortage, particularly in the Perth outer-metropolitan area, in respect of eligibility for the outer metropolitan work force programs and areas which are considered to be areas of unmet need. On first becoming elected, I was very concerned at the shortage of GPs in my electorate and I was extremely confused that a number of suburbs in my electorate were not part of the eligible districts for assistance. I raised this at the Senate Medicare inquiry in July last year. As you can imagine, I was reasonably pleased when an announcement was made by the member for Pearce in Western Australia indicating that a whole range of suburbs would now be eligible for inclusion in the outer-metropolitan areas.

When I visited the department’s web site, I found that there is a new category called ‘an area of consideration’. These are not the green striped areas of unmet need or recognised district of work force shortage but areas of consideration. I have had a couple of examples of where we have been unsuccessful with local practices in trying to access the programs for areas that are in areas of consideration. I would like to ask the minister: what is an area of consideration and how is it treated differently to areas that have already been defined as districts of work force shortage? How does it change the current policy? What are those practical changes and how have they assisted practices and other people operating in those areas of consideration?

Ms JULIE BISHOP (Curtin—Minister for Ageing) (7.04 p.m.)—I appreciate the question from the member for Hasluck but, given the time, I first want to answer the member for Lowe. I am sorry that he has left, but more information has come to hand. So, if the member for Hasluck would not mind, I would like to state, further to my answer in relation to the MRI machines, that in fact no decision has been taken in relation to Concord hospital. The government has agreed to fund up to 20 MRI machines on the basis of expert advice, which of course will be based on a consideration of geographic need and the level of private patient activity. In fact, three new machines have been announced for specialist children’s hospitals. They include the Adelaide children’s hospital and—

Ms Jackson—Princess Margaret.

Ms JULIE BISHOP—Princess Margaret Hospital in my own electorate of Curtin—indeed; thank you. I knew that: Princess Margaret Hospital in my electorate of Curtin. I was just reading it, ‘PMH’, thinking, ‘I hope there is not another one, because that is mine’! So the hospitals also include Princess Margaret Hospital and the Royal Children’s Hospital in Brisbane. No decision has been taken regarding any other sites, so I will put that on the record.

In relation to work force shortages, of course the Australian government remains concerned about this issue. A major reason for the development of these shortages has been changes in supply characteristic of the medical work force; in particular, a move towards shorter average
working hours for medical practitioners and the like. In order to address this issue the government made the work force a major focus of its $2.85 billion package for ‘Strengthening Medicare’ that was announced back in November 2003—of course, that is now a $4 billion package over five years.

Under that package, the number of appropriately qualified overseas trained doctors operating in Australia is to be significantly increased through a number of measures: more than 1,600 full-time equivalent nurses are to be supported through the practice grants; the introduction of the Medicare benefits schedule item will free up the equivalent of around 160 general practitioners; 280 funded short-term placements are being made available each year for junior doctors to work under supervision in general practices, specifically in outer metropolitan and rural and regional areas; refresher training courses and other supports are being provided to general practitioners and specialists who are no longer practising medicine to help them return to the medical work force; and higher Medicare rebates are being paid to non-vocationally-registered general practitioners practising before 1996 if they operate in an area of work force shortage.

Further, we have increased the support to general practitioners in rural and remote areas who provide procedural services like obstetrics and minor operations. Access to GP work force programs is being extended to areas of consideration which are rural in character but are in the same statistical local area as a large town. There is additional funding, which I am very concerned with and very interested in, to GPs who provide care to patients in aged care facilities. There are 246 new medical school places being made available to students who agree to work in areas of work force shortage. There are 150 new GP training places being offered each year—an increase of about a third. These are wide-ranging initiatives which we believe will increase the number of full-time doctors by more than 1,500 by 2007. There is a whole range of other medical work force initiatives which I do not think time will permit me to go into. But these measures have assisted greatly in increasing the supply of general practitioners in outer metropolitan as well as rural and remote areas.

Ms JACKSON (Hasluck) (7.08 p.m.)—I thank the minister for her answer, but I would ask again, first, if she could clarify for me what are ‘areas of consideration’; second, how are they identified; and, third, how they affect the actual application of the programs in this area vis-a-vis the current policy of a district of work force shortage. Is it just colouring-in a map, or is there some benefit or purpose to being designated an area of consideration? I really am curious, given practical experiences in this regard.

Ms JULIE BISHOP (Curtin—Minister for Ageing) (7.08 p.m.)—The member for Hasluck raised the issue of reclassification of rural, remote and metropolitan areas. The RRMA is a measure that has been used for many years to differentiate between geographic areas based on their relative rural status—for example, while rural remote metropolitan area 1 areas are capital cities, RRMA 5 areas are more remote. It has been used for many years to determine eligibility for, for example, rural health programs.

I understand that the RRMA classification works most of the time but at times it throws up anomalies. For example, it does not take into consideration local issues that impede access to health services, nor does it take into account health status. It is purely a geographical classification. In light of those issues, the Minister for Health and Ageing asked the department to take a more systematic approach to determining which areas qualify for particular programs.
The introduction of ‘areas of consideration’ in the near future is a measure that will determine eligibility for the Rural Other Medical Practitioners Program and the Rural Locum Relief Program. So that is under consideration.

It is intended to offer a more structured way to address the obvious anomalies in the rural, remote and metropolitan areas classification system. In the longer term, in recognition of the limitations of the RRMA classifications as a means to determine access to a range of health programs, the minister is commencing a comprehensive review of the RRMA classification system. The review will look at far more than just geography and will look to incorporate health status measures and health services access measures, such as the availability of GPs, in developing a new classification system.

Proposed expenditure agreed to.

Department of Industry, Tourism and Resources

Proposed expenditure, $1,017,796,000.

Mr McMULLAN (Fraser) (7.11 p.m.)—I want to speak today on a couple of issues relating to the small business part of this industry portfolio, on two different issues of concern which I have relating to circumstances for small business in Australia and on Australian government policy as it relates to them. First, I want to talk about the Trade Practices Act and the crying need for the government to respond to the Senate Economics References Committee report released on 1 March. As you would expect, I agree with the majority recommendations that were supported by the Labor Party members of that committee—and I will come back to them if time permits—but we have the amazing circumstance where even the government members who brought down a minority report were recommending major changes; I would like to go further, but they were recommending major changes. I think they had initially indicated a sympathy for going even further than they did in their report, but the government probably managed to persuade them that that was not a very good idea. They certainly proposed to go far beyond the very timid suggestions that came from the Dawson committee of inquiry. Yet we have the government circulating for comment a draft trade practices amendment bill which, as I understand it, was circulated significantly after the Senate committee’s report came down—a copy of which I have here—which does not go to any of the recommendations of even the minority report of the committee, let alone the more sweeping recommendations of the majority.

It is a source of great disappointment to me and will be a source of great disappointment to small business in Australia if we find that the government introduces this wholly inadequate response to the crying need of small business for amendments to the Trade Practices Act to enable them to more effectively compete with their larger competitors. It is most often seen in the retail sector, but it affects many people who are suppliers to major retailers, who are suppliers—even farm suppliers, particularly in the dairy industry—to powerful purchasers. They require changes to the Trade Practices Act—particularly to section 46. The Labor opposition has put out a comprehensive series of propositions about specific amendments that we would like to see to deal with the abuse of market power, to introduce cease and desist orders, to introduce a power of divestiture in cases of repeated abuse of market power by hard-core cartels and to combat creeping and cumulative acquisitions. Those are just four propositions that are an important part of the seven-point plan that the Leader of the Opposition outlined.
None of this is in the legislation, nor even, as I say, are the more modest propositions from the government members on that Senate references committee, who brought down a minority report. The minority report was disappointing but certainly far better than the proposition that the Treasurer has circulated for comment as a proposed set of amendments to the Trade Practices Act. It really does show that if the government are going to proceed down this very disappointing track then the whole question of the government’s advocacy for small business is shown to be a hollow shell. I am sure that they must be able to do better.

I understand the Prime Minister has said he is going to make a major statement on the Trade Practices Act in early July. I hope that is to say that this draft has been ditched and that the advocates of small business who reside in this portfolio—the Office of Small Business and the minister for small business—have been able to prevail on the Prime Minister to overrule the Treasurer and come up with a more comprehensive set of amendments. This proposition is totally unsatisfactory and disappointing. It ignores the real need of small business for the Trade Practices Act to have some teeth and the Australian Competition and Consumer Commission to have the capacity effectively to represent those small business interests when they come into conflict with the interests of big business. (Time expired)

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (7.16 p.m.)—I say to the member for Fraser that the amendments he is talking about in relation to the Trade Practices Act are more appropriately dealt with through the Treasury portfolio. I will have to take the issues he has raised on notice and we can respond accordingly.

Mr McMULLAN (Fraser) (7.16 p.m.)—That is a disappointing but not surprising response. I understand that the legislation itself is the responsibility of the Treasurer. I am aware of that. But the only voice that will change the government’s inadequate response is the voice of small business, whose advocates lie within this portfolio. That is why I have raised it here even though I accept that what the parliamentary secretary says is true. To some extent that also relates to the matter I want to raise now, because some of the issues that have arisen recently which are causing concern to small business do relate to other changes within the Treasury portfolio that totally ignore the interests of small business. We find the government advocating changes that fit ideological preconceptions of the Treasurer and/or the interests of larger businesses but it fails totally to listen to small businesses of Australia. The government takes for granted that small business will support it because overwhelmingly the owners of small business do support the coalition. So the government takes them for granted and simply delivers to their larger competitors.

I will not reiterate those things I have already said about trade practices, which is really an example of that. But we have another example today, where the government is trumpeting its success in getting a deal with the Democrats with regard to choice of superannuation. My colleague the shadow minister for superannuation has made a whole series of points about that which are not relevant to tonight’s discussion and I will not raise them here. They are appropriate for discussion in other debates. But the council of small business have quite properly today in their newsletter the COSBOA Broadcast raised their concern about the possibility that the superannuation choice legislation raises that employers will have to submit to many different funds. It is fine for big businesses with human resources departments and computerised employment systems. There is hardly any extra cost if their employees contribute to dif-
different funds. I understand that. We have other arguments about the way in which the government has proposed this question of choice, and they are not relevant to today. But I do want to say that this change which has been announced today is going to cause a lot of small businesses a lot of heartache. The last thing they need is more red tape, but it is quite conceivable now that a business with 12 employees will wind up contributing to three, four, five or theoretically even 12 different superannuation funds. If you do not have your own human resources department—you are out the back doing the books yourself—and you do not have the high-powered computer power that flows from BHP, AMP and all the big employers then what you have got is just more administrative red tape burden for small business.

What I want to say to the government is this: stop proposing all these changes that may suit your preconceptions. The government have always wanted to introduce this measure. They have their reasons. We do not agree with it but it is a democracy and they are entitled to pursue their argument. But if they are going to do it, they need to think about the fact that what they are doing is saying to every small business in Australia, ‘You are at serious risk of a greater burden of red tape and a greater burden of administration.’ Small businesses are already overburdened.

We know what the biggest red tape burden is because the surveys, including ones by the New South Wales State Chamber of Commerce, tell us that it is still the problem of the BAS and the GST. The government has proposed changes to the BAS compliance system that will apply only to the very smallest businesses. The government knows that the measure that would best deal with BAS compliance difficulties is the measure that the Leader of the Opposition introduced as Taxation Laws Amendment (A Simpler Business Activity Statement) Bill 2003. It continues to be our policy. It continues to have the support of small business. The government will not go there for one simple reason: it is a proposition that the opposition put forward first.

I am concerned that what they have put forward this time is a very inadequate measure. It covers only the very smallest of businesses. It actually by moving to annual returns creates the risk of a very big cash flow hole for some small businesses to manage at what could be the worst possible time for them. In superannuation and in tax administration we continue to have a serious red tape problem for small business. I hope that the Office of Small Business can speak up and get the government to change its policy in these areas. (Time expired)

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (7.22 p.m.)—I will respond to the member for Fraser, first of all, in relation to his comments on superannuation. There is no question that there needs to be some level of flexibility and choice for people working in small business. I do not believe that the complexity you are suggesting is actually going to cause the problems you are suggesting.

I would also say to you in relation to your suggestion of a layer of red tape that there has been a huge layer of red tape removed with the decision to change the GST reporting from quarterly to annually. This is going to have a very significant impact on a very large number of small businesses. I would suggest there are about 750,000 small businesses that are going to get some benefit from this. It will allow them to do all their paperwork in one hit when they lodge their tax return. That has certainly been applauded by the small business community.

The new innovation package also offers some real benefits for small business. You have the Commercial Ready program, which is $1.6 billion in support for R&D proof of concept, tech-
nology diffusion and early stage commercialisation activity. You have $100 million for the highly successful COMET program and another $390 million to continue the 125 per cent tax offset, which is certainly used by small business. These initiatives have certainly been very much welcomed by small business. With that, combined with more of the fundamentals, it is no wonder the small business community strongly supports the coalition government. I would suggest to you that low interest rates and strong economic growth play a very dominant role in ensuring that the small business community continues to prosper and in so doing will support a government that provides these economic fundamentals.

I would like to summarise. The 2004-2005 budget provides significant funding for a range of industry initiatives, with a strong emphasis on encouraging commercialisation of business ideas, innovation and research and development, with funding provided through the budget for initiatives recently announced in the government’s $5.3 billion science and innovation package, Backing Australia’s Ability—Building Our Future Through Science and Innovation.

The industry portfolio will be responsible for delivering a number of the initiatives outlined in this package, valued at around $1.6 billion over the next seven years. One billion dollars of new funding will be provided for the new Commercial Ready program, $100 million will be provided to continue the highly successful COMET program, and there will be $390 million dollars in tax expenditure over five years from 2006-07 to continue the R&D tax offset, the 175 per cent premium R&D tax concession and the effective life treatment of the R&D plant.

In addition, $57.9 million will be provided to the National Stem Cell Centre and a further $20 million will be provided over four years to strengthen Australia’s competitiveness in biotechnology through continued support for Biotechnology Australia and the national biotechnology strategy. On top of that, the budget provides funding for a range of other industry initiatives, including funding to promote Australia as a financial services centre, funding to leverage trade and investment from the 2006 Melbourne Commonwealth Games, funding for the protection of Australia’s critical energy infrastructure and taxation incentives to encourage oil exploration in remote offshore areas. (Extension of time granted)

The budget also contains initiatives to reduce the compliance burden on small businesses, as I mentioned earlier. Most notably, small businesses with turnovers of less than $50,000 will now be able to report and pay their GST annually when they lodge their tax returns. This initiative is expected to reduce paperwork and compliance and make a real and tangible difference for some 740,000 small businesses. Overall, this budget provides significant assistance for industry and continues the government’s support for industry innovation, investment and international competitiveness.

Proposed expenditure agreed to.

Department of Finance and Administration

Proposed expenditure, $530,690,000.

Mr McMULLAN (Fraser) (7.28 p.m.)—We seem to be remarkably short of a relevant parliamentary secretary or minister for this portfolio area. I hope someone is about to make sure that someone comes along as soon as possible. To facilitate business, let me proceed on the assumption that that person will be in a position to respond on the basis of staff advice when they arrive. I want first to raise some queries concerning the sale of Telstra, particularly in the light of today’s announcement by Telstra, and the response to it by the Minister for Finance.
and Administration jointly with the Minister for Communications, Information Technology and the Arts, concerning what is headlined on the web site as ‘Billions for Telstra shareholders’—that is, the decision announced today by the Telstra Corp. chairman, Mr John Ralph, to return $1.5 billion to shareholders annually for the next three years through special dividends and/or share buybacks. This adds to the very interesting circumstance we find ourselves in with regard to the budgetary implications of the sale of Telstra.

The opposition have been arguing—and I have been arguing on our behalf for some time—that putting aside our broader and much more important arguments about the sale of Telstra, which are not relevant to this discussion and come up in a different portfolio, there are serious budget implications of the sale of Telstra that have been totally overlooked by the government and totally fraudulently rebutted. The most obvious point as a starting point is that the cost of the sale of Telstra in three tranches, as estimated by the government previously and reflected in the explanatory memorandum and in the budget, is $218 million per year for three years—that is, $654 million paid to merchant bankers and lawyers. So we have the first element of the budget equation, which is the $218 million for the sale.

What we have to do—and the Treasurer said this in the House recently—if you are going to claim that we, the opposition, do not have to spend that $218 million a year—that total of $650 million—is take into account the public debt interest saving and the dividends forgone. Now that is true. We now know from information publicly provided by the government what those two numbers are. The dividends forgone based on the government’s assessment, which is the market consensus of a 28c dividend per share forecast, means the dividends forgone would be $601 million. We can assess the PDI savings, because in a second reading speech on 10 October 2003 Senator Minchin indicated the bond rate that should be applied and if that is applied to the sale price you get a PDI saving of $622 million. The arithmetic of that is quite simple. This results in a cost to the budget of $197 million in the first year of the sale alone—a negative figure of $197 million. But this does not take into account the significant extra return to the government from today’s announcement. If Telstra is proposing to return $1.5 billion per year to shareholders and the government owns 50 per cent, then the straightforward calculation is that that is worth $750 million per year to the government to the budget in payments.

The situation is actually more complex than that because that would be the case if all the money were paid in special dividends. But Telstra is saying that will not be the case; some of it will be in a share buyback. So, to the extent that there are special dividends, it means that the government—if it were to sell Telstra—will be forgoing even more dividend revenue—hundreds of millions more, but we do not know how much. Additionally, if the share buyback proceeds we have the government in the ironic position that either it sells some of the shares into the buyback, which gives it a substantial short-term return, or it retains the shares—and, for a government committed to reducing its share equity, it actually increases its proportionate equity in Telstra, which has consequential implications for subsequent dividends.

So we have a situation now where Telstra announced today the way in which it will go about focusing on its core business and giving a better return to shareholders—I broadly welcome that—but it is creating a more complicated situation for the government in trying to pretend other than that this is a proposition that is bad for the budget. (Extension of time granted) So I am looking for the government to respond—it always refuses to respond to this because,
frankly, it does not have an answer—to the arithmetic of the budgetary implications of the sale of Telstra, which is actually not complicated in its essence. The moving parts are the PDI, the public debt interest, saving which the government trumpets but ignores the fact that that is virtually cancelled out by the dividends forgone—and as a result of today’s announcement may be more than cancelled out by the dividends forgone—then you have to add in the cost of the sale. Every way you calculate that you come out with a negative budget outcome. I challenge the government to say which of those various factors that we have outlined is not correctly summarised, because they all come from government figures. Also, what is the further implication to the budget of the sale of Telstra welcome announcement today of its proposition to return greater return to shareholders, which the government has properly welcomed? They are the unanswered questions, because the government does not have an answer and I continue to pursue it.

There are bigger issues about the sale of Telstra than its budgetary implications, but those are for another debate in another circumstance. They are not matters that I am traversing here today. I have raised them on plenty of other occasions, as have the Leader of the Opposition and our shadow minister, and the government has other people who respond to that in other portfolios. It is not an issue I am seeking to raise. I am simply saying: if the government insists upon its view that, for broader national interest reasons which it holds—which we do not share—it wants to sell Telstra, it has to come clean on its budgetary implications and it has to deal with today’s further announcement that retaining Telstra in public ownership will give an even bigger return to shareholders, because Telstra is going to give shareholders an extra $1.5 billion, which on the face of it is an extra $750 million return to the budget each year from Telstra if the government retains its 50 per cent interest.

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (7.36 p.m.)—I thank the member for Fraser for his contribution. It really does not matter what occurs with Telstra, as I guess there is a fundamental opposition from the Labor Party in relation to the sale of Telstra—although, going on past history in these matters of privatisation, I question whether the opposition would not be going down the same track that we are going down at the moment if they were in government. But if there are any specific areas there that require a response I will have to take those on notice, and I will certainly ensure that they get back to you.

Mr McMULLAN (Fraser) (7.37 p.m.)—I raise a second matter in the hope that perhaps the parliamentary secretary in this portfolio, who has now come in, might want to respond either to the previous one or to this. This relates to a different aspect in the portfolio entirely, and it concerns matters raised by the Auditor-General, who lies within the responsibility of this portfolio, and what the recent budget estimates have revealed about the massive increase in spending on government advertising and the fact that this appears, by every reasonable assessment, to be in blatant breach of the guidelines set down by the Auditor-General.

The background to this, which members of the public would not be aware of but which is clearly relevant—and certainly members of parliament would or should be aware of it—is that when the now Prime Minister was Leader of the Opposition he said on 5 September 1995 that the shadow cabinet had met and decided that in government they—that is, the coalition—would ask the Auditor-General to draw up new guidelines on what is an appropriate use of taxpayers’ money in this area. That was an explicit, trumpeted decision in September 1995.
We are virtually nine years later on, and the government has done nothing about it. It has actually gone in exactly the opposite direction. I asked the Prime Minister today in question time whether the government’s at least $110 million—and I think on the basis of recent estimates assessments even more—of government advertising complies with those guidelines, and the Prime Minister declined to respond. He said that it complies with earlier guidelines—guidelines which he repudiated, which he said were totally inadequate and which he said an incoming coalition government would supplant with guidelines from the Auditor-General. But the government never sought those guidelines.

However, perhaps in an unwelcome—but, in my view, entirely appropriate—response to the massive spending on advertising around the introduction of the GST, the Auditor-General did initiate an outline of what he thought appropriate guidelines should be. I think he did a pretty good job. If I had been trying to write them, I might not have written exactly the same ones, but they are an independent assessment by the Auditor-General and I think we should take them into account. I am determined that an incoming Labor government will apply those guidelines.

What I am trying to find out is whether the government has in any way at all sought to apply these guidelines to the current massive advertising spree that it is on. It is unprecedented, making the Australian government the biggest advertiser in the country—bigger than Coca-Cola, McDonald’s or Telstra. It is the biggest advertiser in Australia by a long way, and anybody who watches the television or reads the newspapers can clearly see that before their eyes. The biggest weight of this advertising is in the months of June, July and August of this year—what a surprise! There are 22 campaigns currently in the media or in the pipeline.

The placement cost of the government’s Medicare campaign—just the placement cost, not the cost of production, which would be very high—is $15.7 million. So we are going to get a massive, sustained television advertising bombardment at least until the end of June. That of course might coincidentally just be the time when the Prime Minister wants to move to call an election. I do not know that, but you can see other peaks in that advertising running right through to August. So, whatever your preferred point of view is about when the election is going to be, you are going to see a massive government advertising spree in the lead-up to that election.

As far as any objective assessment goes, it is totally in breach of the Auditor-General’s guidelines—and, I suspect, without the slightest reference to the Auditor-General. I suspect that the Auditor-General has never been asked. I suspect nothing has ever been submitted to him and no process has been undertaken to assess these campaigns against those guidelines. It is a clear breach of an election promise by the Prime Minister. It is a clear breach of any proper standard of public administration. (Extension of time granted)

I am particularly concerned that we are getting a recurrent problem here. In 1998 the government spent $32 million on advertising in the four months prior to the election. In 2001—that is, the next election year—the government spending on advertising was around $66 million. In this election year, we are over $100 million. The Auditor-General—following an audit of government advertising during the implementation of the GST—recommended that these new guidelines should require a higher standard.

If these guidelines were employed, there is little doubt that their scrutiny would reveal that the timing of this advertising—skewed as it is in this election year—fails the Auditor-
General’s requirement that it not be perceived as party political and that they are objective, factual and explanatory. We have the extraordinary situation where the government is spending $16 million on a Medicare campaign that does not tell Australians the most basic fact they need to know—that is, that they need to apply to access the government’s safety net. It does not tell them that. You can watch every ad, read everything in the newspaper and miss the most relevant piece of information.

The Auditor-General requires that no campaign should be undertaken without a justifiable cost-benefit analysis. It is quite clear that no such cost-benefit analysis could have been done, because $16 million is being spent on a campaign that fails to mention the most important piece of information about trying to access the program. And we have $20 million being spent on a family payments system that people do not have to apply for. The information is not just targeted to the people who are the beneficiaries; it is community-wide advertising. It is clearly not targeted at giving information to the recipients. The government has a list of all the recipients. It could write them a letter. It would cost a lot less than $20 million. But the government is trying to influence the attitudes of Australians who are not the beneficiaries of this measure.

The government is trying particularly with regard to Medicare to solve its political problem that it is seen as being fundamentally antagonistic to Medicare. Therefore, the government is spending massive, unprecedented amounts of taxpayers’ money, which, on the face of it, is in blatant breach of the Auditor-General’s guidelines. What I want to know is: has the Auditor-General been consulted, have his guidelines been applied, who has had responsibility for applying them and where is the documentation that says that these campaigns meet those guidelines? I believe the answer is that the Auditor-General was not consulted, the Auditor-General’s guidelines have not been complied with and there is no documentation to validate the legitimacy of these campaigns against those proper, independent guidelines.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (7.45 p.m.)—I thank all of those honourable members have participated in the debate on the estimates in relation to the Department of Finance and Administration. In Appropriation Bill (No. 1) 2004-2005, the Department of Finance and Administration appropriated $364.6 million—$165.8 million for departmental outputs and $198.7 million for administered expenses. Departmental outputs have increased by $17.1 million from 2003-04 due to new and prior year measures and an increase in the appropriation in lieu of interest on the Comcover special account.

These new measures are $1.3 million for South Pacific economic governance and stabilisation; $1.4 million for defence capability proposals and establishment of enhanced cost assessment capability; $6 million for government procurement arrangements relating to the Australia-United States free trade agreement; and $1 million for asset sales, staffing and administrative costs. Administered costs have increased by $8.7 million from 2003-04 due to additional funding for the administering of the electorate offices of all parliamentarians and ministers’ offices and for the provision of electorate office relief staff. The funding for this increase was provided for in prior year measures. I commend the expenditure to the chamber.

Proposed expenditure agreed to.
Proposed expenditure, $183,926,000.

Mr HARDGRAVE (Moreton—Minister for Citizenship and Multicultural Affairs and Minister Assisting the Prime Minister) (7.48 p.m.)—I have made myself available, but it is disappointing that no-one from the opposition wants to talk to us about PM&C matters. I guess the general confusion that exists within the Australian Labor Party about details has extended to the fact that they do not want to talk to one of the key coordinating departments in the government. After the Prime Minister I am the next senior person in that department. I rest my case—the opposition are not fit for government; they are not interested in pursuing this detail. I am not surprised there is no-one here.

Proposed expenditure agreed to.

Department of the Treasury

Proposed expenditure, $3,055,457,000.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (7.49 p.m.)—I represent the Treasurer in this debate. There appear to be no Labor speakers to question the Treasury on the very important matters included in the Treasury portfolio.

Proposed expenditure agreed to.

The DEPUTY SPEAKER (Ms Corcoran)—Is it the wish of the committee to take the remainder of the bill as a whole? The question is that the remainder of the bill be agreed to.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (7.50 p.m.)—In summing up, I would briefly like to thank those members who have contributed to the consideration in detail on the budget appropriation bills and take the opportunity to highlight the importance of the budget in maintaining a strong Australian economy. This budget looks to the future in terms of boosting innovation, funding new infrastructure and addressing existing demographic challenges, including Australia’s ageing population. Only through proposed reforms and initiatives in these areas can we ensure that the Australian economy will continue to grow to its maximum potential.

The preparation of the budget involved significant effort by agencies and the government. At this point, I would particularly like to acknowledge the support that the Department of Finance and Administration provides the government in preparing and managing the budget and advising on whole-of-government expenditure issues. Within the finance and administration portfolio itself, this budget provides support for a number of important measures, including $5.7 million for the establishment and operation of a Pacific support unit to enable the Department of Finance and Administration to provide effective support, including financial management assistance, to Papua New Guinea and other Pacific island countries; $8.1 million to enable Finance to take on a new role in the evaluation and quality assurance of the costs and financial risks associated with defence capability procurement proposals; $24.3 million to implement policy and administrative changes to the Australian government procurement arrangements required by the pending Australia-United States free trade agreement, which is expected to take effect from 1 January 2005; provision for the government to pay out its superannuation liabilities to the Telstra and Australia Post superannuation schemes by making lump sum payments; and capital funding of $83.8 million for the refurbishment of Anzac Park.
East and Anzac Park West, and $91.3 million to upgrade the Villawood Immigration Detention Centre.

The 2004-05 budget continues the government’s record of strong economic management, with a cash surplus of $2.4 billion forecast for 2004-05. Net debt is expected to continue to fall in 2004-05 to around $24.7 billion or 2.9 per cent of GDP. The unemployment rate is expected to average around 5.75 per cent and inflation is forecast to fall to around 1.75 per cent through the year to the June quarter of 2005, with continued strong economic growth at 3.5 per cent and an economy that remains strong, flexible and resilient.

In conclusion, the appropriation bills are part of a fiscally responsible budget that is designed to keep the Australian economy strong and to address longer term challenges. The budget builds on the significant government reforms over the last eight years and provides funding for important initiatives, including significant assistance for families. I am particularly proud to support the budget, and I commend the bill to the chamber.

Question agreed to.
Ordered that the bill be reported to the House without amendment.

APPROPRIATION BILL (No. 2) 2004-2005
Second Reading
Debate resumed from 11 May, on motion by Mr Slipper:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2004-2005
Second Reading
Debate resumed from 11 May, on motion by Mr Slipper:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.

APPROPRIATION BILL (No. 5) 2003-2004
Second Reading
Debate resumed from 11 May, on motion by Mr Slipper:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that this bill be reported to the House without amendment.
APPROPRIATION BILL (No. 6) 2003-2004

Second Reading

Debate resumed from 11 May, on motion by Mr Slipper:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

Main Committee adjourned at 7.57 p.m.