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SITTING DAYS—2004

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- **SYDNEY**: 630 AM
- **NEWCASTLE**: 1458 AM
- **GOSFORD**: 98.1 FM
- **BRISBANE**: 936 AM
- **GOLD COAST**: 95.7 FM
- **MELBOURNE**: 1026 AM
- **ADELAIDE**: 972 AM
- **PERTH**: 585 AM
- **HOBART**: 747 AM
- **NORTHERN TASMANIA**: 92.5 FM
- **DARWIN**: 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—FIRST 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. David Peter Maxwell Hawker MP
Deputy Speaker—The Hon. Ian Raymond Causley MP
Second Deputy Speaker—Mr Harry Alfred Jenkins MP

Members of the Speaker’s Panel—the Hon. Dick Godfrey Harry Adams, Mr Kim Christian Beazley, Mr Robert Charles Baldwin, Mrs Bronwyn Kathleen Bishop, Mr Michael John Hatton, Mr Peter John Lindsay, Mr Harry Vernon Quick, the Hon. Bruce Craig Scott, Mr Alexander Michael Somlyay, Mr Kimberley William Wilkie

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—Mr Anthony Norman Albanese 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 Kerry Joseph Bartlett 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. Leo Roger Spurway Price MP
Opposition Whips—Mr Michael Danby MP and Ms Jill Griffiths Hall MP

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

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<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</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
The Hon. John Winston Howard MP

Minister for Transport and Regional Services and Deputy Prime Minister
The Hon. John Duncan Anderson MP

Treasurer
The Hon. Peter Howard Costello MP

Minister for Trade
The Hon. Mark Anthony James Vaile MP

Minister for Defence and Leader of the Government in the Senate
Senator the Hon. Robert Murray Hill

Minister for Foreign Affairs
The Hon. Alexander John Gosse Downer MP

Minister for Health and Ageing and Leader of the House
The Hon. Anthony John Abbott MP

Attorney-General
The Hon. Philip Maxwell Ruddock MP

Minister for Finance and Administration, Deputy Leader of the Government in the Senate and Vice-President of the Executive Council
Senator the Hon. Nicholas Hugh Minchin

Minister for Agriculture, Fisheries and Forestry
The Hon. Warren Errol Truss MP

Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
Senator the Hon. Amanda Eloise Vanstone

Minister for Education, Science and Training
The Hon. Dr Brendan John Nelson MP

Minister for Family and Community Services and Minister Assisting the Prime Minister for Women’s Issues
Senator the Hon. Kay Christine Lesley Patterson

Minister for Industry, Tourism and Resources
The Hon. Ian Elgin Macfarlane MP

Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
The Hon. Kevin James Andrews MP

Minister for Communications, Information Technology and the Arts
Senator the Hon. Helen Lloyd Coonan

Minister for the Environment and Heritage
Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)
Minister for Justice and Customs and Manager of Government Business in the Senate
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 Human Services
The Hon. Joseph Benedict Hockey MP

Minister for Citizenship and Multicultural Affairs and Deputy Leader of the House
The Hon. Peter John McGauran MP

Minister for Revenue and Assistant Treasurer
The Hon. Malcolm Thomas Brough MP

Special Minister of State
Senator the Hon. Eric Abetz

Minister for Vocational and Technical Education and Minister Assisting the Prime Minister
The Hon. Gary Douglas Hardgrave MP

Minister for Ageing
The Hon. Julie Isabel Bishop MP

Minister for Small Business and Tourism
The Hon. Frances Esther Bailey MP

Minister for Local Government, Territories and Roads
The Hon. James Eric Lloyd MP

Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence
The Hon. De-Anne Margaret Kelly MP

Minister for Workforce Participation
The Hon. Peter Craig Dutton MP

Parliamentary Secretary to the Minister for Finance and Administration
The Hon. Dr Sharman Nancy Stone MP

Parliamentary Secretary to the Minister for Industry, Tourism and Resources
The Hon. Warren George Entsch MP

Parliamentary Secretary to the Minister for Health and Ageing
The Hon. Christopher Maurice Pyne MP

Parliamentary Secretary to the Minister for Defence
The Hon. Teresa Gambaro MP

Parliamentary Secretary (Foreign Affairs and Trade)
The Hon. Bruce Fredrick Billson MP

Parliamentary Secretary to the Prime Minister
The Hon. Gary Roy Nairn MP

Parliamentary Secretary to the Treasurer
The Hon. Christopher John Pearce MP

Parliamentary Secretary to the Minister for Transport and Regional Services
The Hon. John Kenneth Cobb MP

Parliamentary Secretary to the Minister for the Environment and Heritage
The Hon. Gregory Andrew Hunt MP

Parliamentary Secretary (Children and Youth Affairs)
The Hon. Sussan Penelope Ley MP

Parliamentary Secretary to the Minister for Education, Science and Training
The Hon. Patrick Francis Farmer MP

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
Senator the Hon. Richard Mansell Colbeck
### SHADOW MINISTRY

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<td>Senator Stephen Michael Conroy</td>
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<td>Communications and Information Technology</td>
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<td>Kelvin John Thomson MP</td>
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<td>Shadow Minister for Regional Development and Roads and Shadow Minister</td>
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*(The above are shadow cabinet ministers)*
SHADOW MINISTRY—continued

Shadow Minister for Immigration: Laurence Donald Thomas Ferguson MP
Shadow Minister for Agriculture and Fisheries: Gavan Michael O’Connor MP
Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Banking and Financial Services: Joel Andrew Fitzgibbon MP
Shadow Attorney-General: Nicola Louise Roxon MP
Shadow Minister for Regional Services, Local Government and Territories: Senator Kerry Williams Kelso O’Brien
Shadow Minister for Manufacturing and Shadow Minister for Consumer Affairs: Senator Kate Alexandra Lundy
Shadow Minister for Defence Planning and Personnel and Shadow Minister Assisting the Shadow Minister for Industrial Relations: The Hon. Archibald Ronald Bevis MP
Shadow Minister for Sport and Recreation: Alan Peter Griffin MP
Shadow Minister for Veterans’ Affairs: Senator Thomas Mark Bishop
Shadow Minister for Small Business: Tony Burke MP
Shadow Minister for Ageing and Disabilities: Senator Jan Elizabeth McLucas
Shadow Minister for Justice and Customs, Shadow Minister for Citizenship and Multicultural Affairs and Manager of Opposition Business in the Senate: Senator Joseph William Ludwig
Shadow Minister for Pacific Islands: Robert Charles Grant Sercombe MP
Shadow Parliamentary Secretary to the Leader of the Opposition: John Paul Murphy MP
Shadow Parliamentary Secretary for Defence: The Hon. Graham John Edwards MP
Shadow Parliamentary Secretary for Education: Kirsten Fiona Livermore MP
Shadow Parliamentary Secretary for Environment and Heritage: Jennie George MP
Shadow Parliamentary Secretary for Infrastructure: Bernard Fernando Ripoll MP
Shadow Parliamentary Secretary for Health: Ann Kathleen Corcoran MP
Shadow Parliamentary Secretary for Regional Development (House): Catherine Fiona King MP
Shadow Parliamentary Secretary for Regional Development (Senate): Senator Ursula Mary Stephens
Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs: The Hon. Warren Edward Snowdon MP
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Monday, 6 December 2004

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

MEMBERS SWORN
Mr Rodney Weston Sawford made and subscribed the affirmation of allegiance.

DELEGATION REPORTS

Australian Parliamentary Delegation to Ukraine and Bulgaria

Mr KERR (Denison) (12.32 p.m.)—Mr Speaker, I present the report of the Australian Parliamentary Delegation to Ukraine and Bulgaria, 28 June to 9 July 2004. The delegation to Ukraine and Bulgaria was led by the former Speaker, Neil Andrew, and on behalf of the delegation I congratulate him on his excellent leadership. I also thank the delegation secretary, Neil Bessell, for his commitment and enthusiasm during what was a very busy and productive visit. The member for Page will speak to that part of the report that deals with Bulgaria, so I will concentrate on Ukraine.

Our report has a particular resonance and relevance, given the events unfolding in Ukraine as a result of the presidential elections in that country. After the tabling of this report, the government has made time available in the Main Committee for an extended debate on those matters, but I am certain I speak on behalf of all members of our delegation when I say we have been watching those events with real concern. We have been worried about the fate of the country and, more directly, about the fate of those we met who shared their hopes and fears with us.

We are relieved that the political crisis appears to have been resolved, at least in the short term, by the decision of the Ukraine supreme court to order a rerun of the recent presidential election. I am certain all members of the delegation would join me in expressing the hope that the conduct of that second election is free and fair. I personally hope that the Australian government supports the presence of Australian election monitors to add their independent presence to those from other concerned democracies.

The delegation will recall a number of meetings in Kiev where Ukrainian parliamentarians invited the delegation to compare and contrast the different moods and psychologies in the eastern and western regions of the country. The eastern region is more Russian, and the delegation saw this at first hand during its visit to Dnipropetrovs'k. It inspected several industrial plants including one that during the Cold War built two intercontinental ballistic missiles each week but now manufactures sophisticated rocketry for communications and weather research. This visit contrasted significantly with our visit to L'viv in the western region of the country. That region has a large rural population and, along with manufacturing and other industries, is focusing on sectors such as tourism, education and medicine to generate growth. The ancient city of L'viv is itself a significant tourist destination and is listed as a UNESCO World Heritage site. The different moods and psychologies in Ukraine were apparent to the delegation, and these appear to have been reflected in the recent presidential elections and subsequent events.

The delegation, however, had access to the highest levels of the Ukrainian government with meetings with President Kuchma; the Prime Minister, Viktor Yanukovych, who was one of the candidates in the disputed presidential election; the Speaker of the parliament; the foreign minister; other ministers; and several regional representatives. All of these meetings showed a positive and warm regard for the bilateral relationship and a desire to develop it further. At almost every meeting, Ukrainian ministers and parliamentarians requested that the delegation recom-
mend to the Australian government that it open an embassy in Kiev, as the Ukraine has recently done in Canberra.

The delegation was left in no doubt that Ukraine is an important emerging market. It has a population of 48 million and, although our economic relations are modest, it is an emerging region. Accordingly, the delegation recommends that the Minister for Foreign Affairs review Australia's diplomatic representations to ensure that our representation in Ukraine properly reflects the existing and potential bilateral relationship.

I wish to thank Mr Tas Chornouis MP, Mrs Halyna Lemets and Dr Olexandr Mischenko, the Ukrainian Ambassador to Australia—who, incidentally, took a brave stand in recent days calling for fresh elections—for their tireless and enthusiastic efforts to make the visit a success. I also thank Mr Les Rowe, the non-resident Australian Ambassador to Ukraine, and Mr Michael Chappel, First Secretary, for their advice and assistance.

We received a warm and generous hospitality wherever we went. Having witnessed at first hand the optimism and enthusiasm of its people, we are concerned by the unfolding events in Ukraine, and the delegation would sincerely hope that democracy and the rule of law will prevail in the country. We wish the Ukrainian people peace and prosperity.

Mr CAUSLEY (Page) (12.36 p.m.)—The report that the member for Denison has tabled attests to the fact that the delegation’s visit to Bulgaria was also a success and that it enhanced relations between the two countries. The delegation had the opportunity to meet with the most senior levels of the Bulgarian government on issues of common interest including bilateral trade and investment. Our discussions centred on Bulgaria’s progress towards key economic and security objectives including membership of NATO, which it achieved in 2004, and membership of the European Union, scheduled for 2007.

Bulgaria is in a period of significant transition with its permanent goal of embedding itself into the mainstream of Western Europe. Economically, Bulgaria is the best performing central or eastern European country and it has undertaken a significant reform program in order to secure accession to the EU. Although the agricultural sector has been the subject of reforms, the delegation noted that land restitution policies may in fact impede the development of an efficient and sustainable agricultural sector. Nevertheless, the delegation was impressed with the prospects for increased trade and investment between the two countries, particularly before accession in 2007.

As the report indicates, the delegation was privileged to meet with the President of Bulgaria; the Prime Minister, Mr Simeon Saxe Coburg-Gotha, who is the exiled former King of Bulgaria; the Speaker of the National Assembly; and other ministers and officials. The delegation also appreciated the opportunity to travel across the country, stopping off at Veliko Turnovo, an ancient city which is significant in Bulgaria’s constitutional and political history. The delegation then went on to Varna, the third largest city in Bulgaria, situated on the Black Sea, where the oldest gold artefacts in the world—dating back to 4,000 BC—were found and which now supports an expanding tourist industry as well as maritime and manufacture facilities.

The delegation was left in no doubt that Bulgaria has considerable potential as an important emerging market and that this will be significantly enhanced with its accession to the EU in 2007. The delegation was impressed with the economic developments taking place in Bulgaria and identified sev-
eral areas of opportunity for Australian companies, particularly in tourism. The delegation recognises that, while not a major investor overseas, there is growing interest in the Australian business community in central and eastern Europe, especially for joint ventures in areas where Australia has particular strengths and expertise such as agriculture, tourism and information technology.

The delegation received several requests for it to recommend to the Australian government that it opens an embassy in Sofia, as Bulgaria has done in Canberra. The delegation is aware that decisions on Australian diplomatic representation need to take into account a variety of issues, including budgetary constraints and demonstrated commercial need. The delegation recommends that the Minister for Foreign Affairs reviews Australia’s diplomatic representation with Bulgaria to ensure that it properly reflects the existing and potential bilateral relationship.

The delegation was very impressed with the work of Indiana Trifonova, honorary consul of Australia in Bulgaria, and accordingly recommends that the Minister for Foreign Affairs considers increasing the funding for her work in Bulgaria. The delegation is confident that bilateral interests would be enhanced by such a decision. The delegation wishes to record its genuine appreciation of the Bulgarian Parliament and its Speaker and officials for coordinating the delegation’s excellent program and for the warm welcome and hospitality extended during its visit. The delegation also recognises the professional assistance it received from interpreters and security personnel. The delegation wishes to thank Mr Stuart Hume, the non-resident Australian Ambassador to Bulgaria, for his comprehensive briefing on its arrival and commends him for his excellent advice and assistance during the delegation’s visit. The delegation also recognises the contribution of his wife, Ms Dannielle Rosignol, to the success of the visit.

Finally, may I pay tribute to Neil Andrew and Carolyn for the professional way they conducted themselves not only on this but on every delegation they have led. Neil Andrew is always hard working and down-to-earth and has been a fantastic ambassador for Australia. During this delegation we had several days when we started early in the morning and finished late at night. Neil, as usual, was on the job almost constantly and he did this with his usual charm and good grace. The delegation worked extremely well together and I thank the member for Denison and also the member for Maribyrnong, whose considerable knowledge of the history and culture of Ukraine and Bulgaria impressed not only his fellow delegates but also our hosts.

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

Mr KERR (Denison) (12.41 p.m.)—I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted.

The SPEAKER—In accordance with standing order 39, 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.

Australian Parliamentary Delegation to the European Institutions and France

Mr BEVIS (Brisbane) (12.42 p.m.)—I present the report of the Australian Parliamentary Delegation to the European Institutions and France, April-May 2004. It was a very busy three-week schedule for members of the delegation, but a great opportunity and
a great honour to represent the parliament. I want to pay tribute to the leader of the delegation, Senator the Hon. Paul Calvert, President of the Senate, who conducted affairs in a very professional manner. Other members of the delegation were the interim leader, Senator Tierney, Senator George Campbell, Senator Ross Lightfoot and Senator Andrew Murray. I should note, having just read that list, that I was the only member of the House of Representatives on the delegation. Members on both sides would agree with me that it is important when we send delegations abroad to ensure that both houses of our parliament are represented. I would also like to particularly thank Helen Donaldson, the Usher of the Black Rod, who accompanied the delegation as delegation secretary and performed all the tasks required of her position extremely well.

There could not have been a more important time for a delegation to be present in the European Parliament than on our visit. It was right on the cusp of the expansion of the European Union, an expansion that, only weeks after our visit, saw 25 nations become the composition of the European Union. Those 25 nations represent some 450 million people. Together, they represent some one-quarter of the world’s gross domestic product. One of the important things to draw from our short time at the various meetings we had with the European Parliament and its different organisations was the developing role of Europe as an entity and institution with its own sets of regulations and laws, as distinct from those of the independent nation-states that make up the European Union. It is important for members of the Australian parliament, when contemplating situations and developments in Europe, to comprehend not only the independent nation-state positions, which are important, but also the collective European Union, which is clearly developing as one of the major organisational forces of the 21st century. The closer the contact between our parliament and the European Parliament the better the prospects for our future joint relations into the 21st century.

The delegation had wonderful access throughout the European Parliament. We had opportunities to meet with representatives at the highest level of the International Criminal Court and we had the privilege of sitting in on one of the hearings for an accused former general from the former Yugoslav republic. It was interesting to see so many Australians in senior positions in the international court. Indeed, the chief prosecutor in that particular case was an Australian and was, along with a number of other Australians, held in very high regard. We also had extensive and important meetings in the International Court of Justice and NATO to talk about a range of issues of interest to us all.

The delegation also conducted a bilateral visit to France. The warm hospitality extended to us by the French could not have been better. The French senate provided us with access to all of the agencies with which we wanted to have discussions, and it provided an interesting backdrop to our discussions with European parliamentary representatives to see the alternative views from time to time expressed in national legislatures.

Finally, our visits on Anzac Day were extremely moving. To go to the Western Front, to the Tyne Cot Cemetery, to Passchendaele, to Ypres and to the Menin Gate on Anzac Day and to be there with busloads of people who had come across from England and other parts of France for those ceremonies was indeed moving. To join with the citizens at the Menin Gate who have, on each day since the end of the First World War, acknowledged the bravery of those in the Anzac forces who liberated their city—and who have done so every evening but for those on
which the city was occupied during the Second World War—was a tremendously moving experience for all involved and it was encouraging for us as Australian parliamentarians to see the love and affection in which Australia was held. *(Time expired)*

**PRIVATE MEMBERS’ BUSINESS**

**Working Poor**

Ms GEORGE (Throsby) (12.47 p.m.)—I move:

That this House:

(1) acknowledges the alarming growth in the ranks of ‘working poor’ Australians;

(2) notes that recent ABS data shows a disturbingly high level of financial pressure among the ‘working poor’;

(3) notes that the majority of ‘working poor’ Australians are totally reliant on minimum Award wages;

(4) acknowledges the majority of Award workers are women in part-time and casual jobs serving the needs of others in the hospitality, retail, health, childcare and community sectors; and

(5) supports the system of annual wage increases to minimum Award rates as determined by the AIRC.

There was a time when having a job in our country was considered a guarantee against poverty and hardship. Unfortunately, this is no longer the case. The number of Australians living in poverty is estimated to be around 2.5 million, with one recent study finding that one million Australians are living in poverty despite the fact that in their household at least one adult is in paid employment. Recent ABS data shows that more than one million working families were forced to go further into debt, to draw down on savings or to sell jewellery and other assets owing to the financial stress they faced.

These people are commonly referred to as the working poor. The working poor are totally reliant on minimum award wages and their once a year wage increase granted by the Australian Industrial Relations Commission. The majority are women in part-time and casual jobs which service the needs of others in areas like hospitality, retail, health, child care and community work. Currently these workers earn the minimum federal wage of $467 per week before tax and many are trying to raise their families on a wage rate of just $12.30 an hour. Imagine what that would be like.

ABS data presented to the Industrial Relations Commission last year gives us some insight and reveals a disturbing picture of life among working poor Australians. That data showed that 59,000 people went without meals; 95,000 people were forced to pawn or sell something because they needed cash; 36,000 were unable to heat their homes; 89,000 sought help from charities and welfare organisations; and more than half a million were unable to pay their electricity, gas or phone bills on time. Overall, more than 800,000 working families in Australia experienced a cash flow problem. That is what life is like for many of Australia’s working poor. How tragic this is at a time of economic prosperity in our nation.

Since 1996 the Australian Industrial Relations Commission has awarded these workers an annual wage adjustment, recognising, in a commission decision, that ‘bargaining is not a practical possibility for employees who have no bargaining power’. True to form, this government has opposed every increase in the minimum wage sought by the ACTU on behalf of Australia’s working poor. If the government had its way, these workers would today be $2,290 a year worse off.

Worse still, in recent days the government has sought to delay this year’s hearing on the minimum wage case until after next year’s federal budget. This position was put to the commission last week, after I submitted my
original notice of motion. What will this decision mean? If successful, the process for determining this next annual increase could be stalled for up to six months. This would result in up to $500 to $600 disappearing out of the pockets of the lowest paid in Australia. It would have a serious and devastating impact on thousands of individuals and families that I represent. Based on 2001 census data, 66 per cent of individual workers in my electorate of Throsby earned less than $25,000 a year. Twenty-seven per cent of all families that I represent—around 8,060 families—would be very hard hit by any attempt to delay the granting of their next much awaited annual wage increase.

There is absolutely no justification in the government’s attempts to delay the hearing of this case. Their action is both reprehensible and indefensible. The ACTU’s claim is to lift the wages of the working poor to just under $500 a week before tax, or $13 an hour. The working poor have contributed to the nation’s prosperity, productivity and economic growth. They deserve far better than an impending wage freeze. (Time expired)

The SPEAKER—Is the motion seconded?

Ms Grierson—I second the motion and reserve my right to speak.

Mr RANDALL (Canning) (12.52 p.m.)—I am very pleased to speak to this private member’s motion on the working poor. One of my election commitments before the 2001 election was that I would work for a better deal for the working poor in my electorate of Canning. I believe that I have done that, and the government has certainly delivered in spade loads. The former member for Hasluck, Sharryn Jackson, made the same commitment before the election, and it was one of her mantras after the election. The electorate believed me more than they believed the Labor Party. I not only won my seat again in the last election but increased the majority. Sadly, the seat of Hasluck changed hands. So who did the electorate believe more: the government or the opposition, who feigned that they would do something about the working poor? The idea of doing more for the working poor means that they should keep as much of the money they earn as possible. This government has been very responsible and has delivered in that area, which I will address in a moment.

In addition to my commitment to seeing that the working poor—those on low incomes—keep more of the money that they earn, as I have said in this place many times, the best thing you can do for a worker is to give them a job. The best thing you can do for a worker is to make sure that they are gainfully employed rather than being in the welfare system. This government’s record on that is outstanding. The unemployment levels all around Australia have dropped significantly since the election of the Howard government in 1996, to the extent that the only thing stopping us going below five per cent nationally is the fact that the opposition have continually opposed our measures to make the work force even more flexible. They have already committed to opposing workplace agreements; yet we know that, at the federal level, the number of workplace agreements is growing by the day. In Western Australia, for example, there are well over 100,000 workplace agreements registered, yet the state-sponsored employee-employer arrangements are in the tens. People are voting with their feet, because they know who is actually delivering to workers—and it is the coalition government, not the opposition with its proffered policies. People have now rejected the policies of the Labor Party at four elections.

It is interesting to hear the member for Throsby, a former ACTU president, bang on about what she would do. The member for
Throsby and some of the other ACTU presidents who have treated this House as a retirement home have done more to hurt the workers in this country than anyone else. Bob Hawke had this marvellous accord that was going to do so much for workers, but that government actually reduced the wages of the workers. They actually bragged about being able to reduce the wages of workers in this country. So much for doing something for the working poor and the low-income earners of this country. The member for Throsby also went on about the government opposing the minimum wage case. What did Bob Hawke do? Through his marvellous accord, he continued to drive down and oppose the lifting of wages; and we all remember his brag that no child would live in poverty—crocodile tears, not genuine and not delivered.

What is very important is the fact that we have not only delivered in the area of unemployment but we have also reduced taxes, so people keep more of their money. For example, from 2001 we have increased the amount of money people can earn and reduced the marginal rate of tax. Talking about the working poor, let me give some examples. On incomes of $1 to $6,000, obviously over the years no-one has paid any tax. But on incomes from $6,001 to $20,000, we have brought the marginal rate of tax down to 17 per cent. And from $20,001 to $50,000, we have brought it down from 34 per cent to 30 per cent. These people are not earning a lot of money. They are the real working poor.

Just to demonstrate that, somebody on the Labor side of politics, former Senator John Black, wrote an article in the Financial Review on 4 December and talked about the NATSEM report. He pointed out that the biggest swing to the government during the last election was by people with small mortgages, typically of less than $1,000 a month, and that half of the mortgage payers in this country are in that group. They are the ones who voted with their feet at the last election: the low-income earners with small mortgages changed their vote to the government because they realised who would deliver for them on their low incomes. John Black finishes the article by saying:

Labor’s real problem lies in the fact that the Howard government has continued to whittle away Labor’s diehard supporters since 1996, in the face of its own ineffectual election campaigns. The government has told the truth on the working poor and is delivering for those on low incomes. This government has done that; the Labor Party only talks about it.

Ms GRIERSON (Newcastle) (12.57 p.m.)—I have seconded the member for Throsby’s motion regarding the working poor and the minimum wage. I think we can explode a few myths put forward by the member for Canning. In March 2004, the Senate Community Affairs References Committee tabled its report on poverty. That report was the most comprehensive and wide-ranging report in 30 years. It found that the economic gains that the government are so happy to spruik about have been very unfairly distributed amongst Australians. It paints a picture of many Australians who are left outside any comfort blanket of that economic growth. The member for Canning claims that the best thing a government can do is to give people a job, and he boasts about employment growth figures. Importantly, the Senate report challenged those assumptions. The reality is that more than one million Australians are living in poverty, despite having a job. Twenty-one per cent of households, or 3.6 million Australians, now live on less than $400 per week—less than the minimum wage. They live in poverty in spite of having a job.

In 1975 the Henderson report found that only two per cent of households with an
adult employed could be classified as working poor. Today it has gone up to 21 per cent; so the working poor are amongst us. If you look around, one in five people who have a job are part of the post-industrial Australian poverty that exists today. The member for Canning also used the opportunity of this important debate to denigrate two of my colleagues. I can only say that, on behalf of the former member for Hasluck and the current member for Throsby, I am offended. I have never worked with two people who have been more hardworking and committed to the people of Australia.

Why are people in this society finding it so difficult? Let us look at the government’s record. House prices have soared. Education and health costs have been shifted on to individuals yet they are not factored into everyday costs. Apparently you can elect not to have an education or you can elect not to go to a doctor, but that does not sound fair to me. There has also been a dramatic casualisation of the work force. Between August 1998 and 2003 total employment of casual workers increased by a staggering 87.7 per cent. In fact, nearly 30 per cent of all employees work on a casual basis. The government’s job growth figures certainly do not reflect individual or community wealth. In my own electorate of Newcastle, there are over 55,000 people with a weekly income of less than $400 who are certainly experiencing poverty. You can add sole parents and families to that, who are doing it hard. The minimum wage case which is coming up is their only hope for some justice and fairness in increasing their reward for employment.

Women are particularly vulnerable to the outcome of the minimum wage case. I would like to share the experiences of one of the witnesses at the public hearing of the Senate Community Affairs References Committee into poverty and financial hardship in Newcastle. Ms Cant told of being a sole parent for 10 years and of having purchased a home for $65,000 after separation. We all know that today people like Ms Cant could not afford to purchase any home. In that 10 years, she tells of her struggle to cater for the schooling costs of her two daughters, to do home repairs and to just keep food on the table—good food was particularly needed for her daughter, who had been diagnosed with diabetes. She stated:

I take home $458.60 a week which should be enough to live on, but it is not. My eldest daughter has dropped out of university. She was accepted in Sydney last year but could not keep up with the accommodation and living expenses, and I could not help her. My youngest daughter has just pulled out of year 12 to get extra hours in a pharmacy where she works after school because she is sick of me being broke. She helps out a lot with the shopping. Her medication costs $50 a week. A lot of people work hard and by the age of 50 are looking for some financial independence in the future. I have worked very hard in a stressful but intrinsically rewarding career to achieve a debt of $120,000, which is twice what I had 10 years ago and I have got even less to show for it. It is not through mismanagement, it is just to keep a roof over our heads and care for my children, and I believe they should eat properly.

I urge this House to acknowledge the inequities that exist. I call on the government to support the ACTU’s 2005 claim to lift the adult minimum wage to $494 per week. (Time expired)

Mr JOHNSON (Ryan) (1.03 p.m.)—I am pleased to speak today on this motion on economic policy. It is all about the economic credibility of the government versus the economic credibility, or lack of it, of the opposition. On hearing the two previous opposition speakers, one would have thought that the election result still had not got through to them. They are not aware that the most critical thing for the people of Australia is how this government can manage the economy. At the end of the day economic prosperity
leads to jobs and to a better standard of living. I call on all opposition members to acknowledge that point.

The previous speaker, the member for Newcastle, spoke about the ACTU’s call for increases to the minimum wage. I remind her and the Australian people that in this country union representation is some 17 per cent. Less than one in five Australians are involved in, or members of, unions throughout this country. That speaks volumes for where the opposition is at with its economic policy. My colleague the member for Canning hit the nail on the head when he said that the best thing any government can do for Australians is to ensure that there is a climate of prosperity where they can get jobs. In this country job growth is doing tremendously well. In October, Australia’s unemployment rate was registered at 5.3 per cent, its lowest level for more than a quarter of a century. The last time the unemployment rate was lower was in February 1977.

Over the last 12 months under the Howard government close to a quarter of a million new jobs have been created. That speaks volumes for the management of this economy under the stewardship of the Prime Minister and the Treasurer. I draw the parliament’s attention to an article that appeared in the Weekend Australian on Saturday, 20 November because it embraces what this debate is all about. The article, in part, said:

We’ve never been here before. The economy is so resilient that even dinosaur jobs such as boilermaking are staging a comeback.

The article refers to the web page of the Department of Immigration and Multicultural and Indigenous Affairs, where the government is calling upon a whole range of tradespeople—from boilermakers to panelbeaters, from pastrycooks to furniture upholsterers—to come into this country under the skilled migration program. This is remarkable. The article continues:

Perth boilermaker Keith Scott prefers the term ‘steel fabricator’ which covers his skill-set as a builder of mining sites, conveyor systems, oil rigs and shipping parts. The 46-year-old says the demand for his services has never been greater. But the thing that pleases him more is that his 21-year-old son has landed a job as a boilermaker after five years in the wilderness. The two now work alongside each other for a heavy-engineering contractor. Scott Sr takes home $1100 a week, a wage he is happy with.

This article really points to the differences between the government and the opposition. Levels of unemployment are the lowest in a quarter of a century, interest rates are very low, there are record interest rates, record opportunities for Australians to buy into property and to secure their futures. The sooner members of the opposition realise that central to the government’s credibility is its capacity to run the economy, the sooner they will be a more credible alternative. I welcome the opportunity for the opposition to become a more credible alternative government. It is in the interests of this nation and in the interests of democracy that the opposition can put up some semblance of policy that will offer the people of Australia a choice. At the moment there is no choice. This government is doing everything right.

I want to refer to the statement about casual employment. It seems to me, from the motion, that the member for Throsby implies at the very least that there are no real jobs in the hospitality, retail, health, child-care and community sectors. I find that remarkable. These are fine industries and the sooner the opposition acknowledges those industries as a source of employment to Australians, the better. (Time expired)

Ms VAMVAKINOU (Calwell) (1.08 p.m.)—Today I rise to speak in support of the member for Throsby’s private member’s
motion, which calls on this House to support the current system of annual wage increases to minimum award rates by the Australian industrial relations system. This motion acknowledges the alarming growth in the ranks of the working poor and the detrimental effects this can have on households due to the majority of working poor being totally reliant on minimum award wages. I think the operative words here are ‘totally reliant’ on minimum award wages.

We have lived and do live in an economically prosperous country. No-one denies that. I can assure you that we are all aware of that. However, today I would like to draw attention to the other face of Australia’s prosperity, and that is poverty and the increasing number of working poor Australians who are not sharing in this country’s strong economic growth. These working poor rely totally on minimum award wages as their sole income. They do not benefit from family trust funds or grow wealth through property investments or the stock market. They do not own credit cards or send their children to elite non-government schools; they cannot even afford to go on holidays.

Recently released ABS data showed that 810,000 families experienced a cash flow problem in the past year and that 537,000 people were unable to pay a phone, gas or electricity bill. Many of these people live in my electorate of Calwell, and in Calwell we know poverty well. ABS census data in 2001 showed that 58,212 people live on amounts below the minimum wage. That is about 47.9 per cent of my electorate. So whatever the great economy of this country is doing, it is certainly not assisting 47.9 per cent of the people who live in my electorate.

This motion today is important to me and to my constituents. It is also particularly timely given the government’s action on Friday calling on the AIRC to delay a ruling on the current minimum wage case for six months, until the May budget. The federal minimum wage in this country is only $467 per week, or some $24,370 per year, and the cost of living in this country is constantly on the increase. The four million Australian workers covered by federal and state awards rely desperately on these minimum wage cases in order to make ends meet.

This government has looked after the top end of town with tax relief for household incomes in the top 20 per cent—for individuals who have already received a 14 per cent increase in their income since 1990. I now urge the government to provide wage relief for the low-income households, the bottom 20 per cent of workers, who have received only a 1.5 per cent increase in their income since 1990. The government has no legitimate economic grounds to deny these workers their hard-earned and well-deserved pay rise. Seeking to delay the wage hearing until the May budget on the basis that the government wants to ensure that the economy can handle the increase is nonsense. How many more hits are the working poor expected to take for the benefit of business and employers? The government’s track record on wage justice for low-paid workers is nothing to be proud of. In fact, had the AIRC accepted the government’s recommendations on wage increases over the past nine years, workers—and, in particular, workers in my electorate—today would be some $44 a week worse off.

I have no doubt that the 21.1 per cent of Australia’s workers who earn under the minimum wage and survive on incomes below the poverty line would be worse off without the minimum wage protection that currently exists within the Workplace Relations Act. This is particularly relevant to me, as I have indicated already, as in my electorate of Calwell the percentage of working
poor is alarmingly higher than the national average.

I commend this motion to the House and I commend this call to protect the working poor in our nation. While we talk about the prosperity of this country, we need to bear in mind that, as a society and as a government, we can only be judged by the way in which we treat our most vulnerable and weakest. Without the minimum wage case protection, our society’s lowest paid workers will continue to be forced to live in desperation and in poverty.

In conclusion, I would like to draw attention to the fact that we are approaching Christmas. There will be many families in Australia, and certainly many in my electorate, who may not be able to avail themselves of all the wonderful things that they may wish to avail themselves of for themselves and for their families. For the sake of people who are living in difficult circumstances, I encourage the government to support this motion. (Time expired)

Mr HARTSUYKER (Cowper) (1.13 p.m.)—I am pleased to have the opportunity today to speak in the House on the member for Throsby’s private member’s motion on the working poor and to reaffirm the fact that this government is committed to the highest possible living standards for all Australians.

It is interesting to note that, in the election campaign prior to 9 October, it was the Labor Party that advocated a tax policy which made low-income families worse off. I stand here astonished that this motion would be put forward against a backdrop of a party that puts forward a tax policy that disadvantages low-income families. This motion also very much illustrates how out of touch the Labor Party is—how much they are a party of a bygone era.

The member for Throsby shows a limited ability to comprehend the fact that the way forward to improving living standards is through flexibility, not rigidity. The way forward to improving living standards is through a more flexible labour market and not a more rigid labour market—the product of the award system. The good member fails to see that wage rises which are not related to productivity improvements can bring unemployment and despair. They are not the panacea for the needs of low-income families. They are not the way to assist the working poor. The way to assist our lowest paid workers is through providing opportunity and through providing training.

This government is focused on trade training and providing the opportunities to help people get into work and improve themselves. Forcing up the wages of the low paid without the increase in productivity that should accompany that only encourages the substitution of labour with capital, and that cannot be good for low-income earners. Look at the economic performance of this country. Previous speakers have mentioned this fact, and I will just reiterate it: we have 5.3 per cent unemployment, which is amongst the lowest unemployment in a quarter of a century. Over the last 12 months we have created over 243,000 jobs, 71 per cent of which were full time. Teenage unemployment figures are improving. This government believes that keeping the economy strong is one of the best ways of improving the opportunities for our lower paid workers.

Labor caused one million people to be unemployed in the early nineties. The unemployment rate peaked at 10.9 per cent under the stewardship of the member for Brand and 10.3 per cent under the member for Hotham. Teenage unemployment peaked at 34.5 per cent. The Labor Party basically had a strategy of shifting people from one queue to another—from the unemployment queue to the DSP. That was a way of reducing the unemployment rate. Labor created another
form of the unemployed to lower the headline unemployment rate. In contrast, this government has created 1.4 million jobs, 700,000 of which are full time. This government has presided over an increase in real wages of some 13 per cent, as compared to some 2.4 per cent under Labor. This government has seen the minimum wage increase by some $106 since 1997, as opposed to $41 in the last two terms of Labor.

In Australia, we have the second highest minimum wage, as a percentage of full-time median earnings, of the major OECD countries—France has the highest. The government is committed to improving the wellbeing of Australians through a flexible labour market. The government supports Australian workplace agreements; Labor are against workplace agreements. It is a fact that the average wage under a workplace agreement is about $1,000, as opposed to $741 under the centralised award system. Workers on AWAs earn some 23 per cent more than those on collective agreements, and women on AWAs earn 32 per cent more. You can see that the best way to improve the wellbeing of Australians is through a flexible labour market. The Labor Party is opposed to casual labour.

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

Driver Education

Mr ANTHONY SMITH (Casey) (1.17 p.m.)—I inform the House that the word ‘unavoidable’ in the first sentence of my motion should read ‘avoidable’. I seek leave to amend the motion in that regard.

Leave granted.

Mr ANTHONY SMITH—I move:

That this House:
(1) notes the terrible, and mostly avoidable, consequences of death and injury occurring on Australia’s roads each year;
(2) notes the importance of Australia’s car and truck drivers and motor cycle riders remembering to drive and ride safely at all times, being mindful of their passengers’ safety and the safety of other road users;
(3) notes the Australian Government’s plans, as announced in May 2003, for a compulsory national program of driver education for all new provisional licence holders that aims to reduce the number of young people killed and maimed on our roads;
(4) notes the critical need for all levels of government and the broader automotive and related industries to work cooperatively with the objective of promoting safer driving and to partially fund driver education for new, mostly young, drivers; and
(5) recognises the successes and ongoing work of community-based organisations, including schools, in their efforts to teach and promote safer driving and other key road safety messages.

Scarcely a weekend passes without the horrific news of yet another road tragedy involving a young and inexperienced driver. The death, injury and emotional toll on friends, families and loved ones is horrendous. Currently, the figures tell us that there are 9.3 deaths per 100,000 people on Australia’s roads. In plainer and simpler terms, every day five people are killed and 60 people are seriously injured on our roads. Melbourne’s Herald Sun newspaper publishes the number of people killed on Victorian roads for the year. As we speak on this motion today, the figure for Victoria to date is 322. Many of these are young people, and in many cases the cause is inexperience. In fact, road fatalities account for one in three deaths amongst Australians aged between 15 and 24. It is safe to say that all of us in this place have been affected by or have known people
killed or injured in a serious road accident. As a community we need to do all we can and we need to know that we are doing absolutely all we can to reduce this terrible toll. We all see the results in our electorates right across Australia. In the Yarra Valley, the outer eastern suburbs and the Dandenong Ranges, where driving conditions are more difficult, both the member for La Trobe—the seconder of this motion—and I see the results across our electorates on a weekly basis.

Over the last 20 or 30 years it is true that as a country we have taken great steps and have had huge success in reducing our national road toll. We have improved our roads, we have improved our cars and made them safer and of a higher quality, and we have improved our laws with regard to seatbelts, speeding and drink-driving—but the one thing that has not been improved or moved with the times is the way we prepare young people for driving. We have to face the fact that the licence tests we have at the state and territory level do not adequately prepare our young drivers for the difficult and varied conditions they will encounter on the roads on a day-to-day basis. We all know that we are better drivers now than we were on the day we got our licences. If we are honest, we will also know that on the day we got our licences we all thought we could drive as well as or better than anybody. But we could not, and we learnt through experience—and, in many respects, we are the lucky ones.

The point of this motion is that we can do more to inject that practical experience into our young drivers just when they are getting their licence, and we can do so in a safe way through comprehensive off-road and on-road driver education and training. The government, led by Deputy Prime Minister John Anderson, have announced our policy and aim of national, compulsory driver education. We want to see it funded jointly by the federal government and all the states and territories. We want it to be nationwide, not piecemeal in some of the states. We have put our money on the table. We now quickly need all the states and territories to come on board and back the program. This is one area of federal-state responsibilities where there can be no excuse for bickering, disagreement or further delays.

In closing, I want to pay tribute to the Metropolitan Traffic Education Centre, which is based in the suburb of Kilsyth in my electorate of Casey. METEC, as it is commonly known, is a community based organisation that has been teaching safer driving for over 30 years. Along with its chairman, Mr Chris Cosgriff, METEC has a dedicated team, including the other members of the board of management, the general manager, Neill Sheldon, the administrative staff and around 40 sessional professional driving instructors. This is an important motion—one that is put forward in a bipartisan spirit and one that all members of this House should support to cut the road toll and reduce the heartache and tragedy that so many in our communities and nation face. I commend the motion to the House.

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

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

Ms OWENS (Parramatta) (1.22 p.m.)—I rise to speak in support of the member for Casey’s motion which notes the terrible and mostly avoidable consequences of death and injury occurring on Australia’s roads each year. The carnage on our roads tears families apart and destroys lives and families on a daily basis.

In the 12 months to 31 October 2004, 1,625 people died on our roads. Tragedies that take their terrible toll one day at a time and one by precious one do not capture the
attention of the nation in the same way that singular catastrophes do. Imagine our response as a nation if we lost that number, 1,625, in one day in one accident or if we lost that number as the result of a war, a bomb or in one train accident. Our response would be remarkably different than it is to that loss on a day-by-day basis. Of course, for the families of the victims there is no difference at all—and we in this place must act in a bipartisan way to respond in the same way.

With our safer roads plan, which we took to the last federal election, the Labor Party have shown a commitment to taking a strong federal role in reducing the number of deaths and serious road accident injuries with our safer roads plan which we took to the last federal election. It is good to see such an important issue getting debate time in this place, and I commend the member for Casey for raising this issue.

Perhaps one of the most extraordinary things that comes to mind when I look at that figure of 1,625 is that many of those accidents are preventable. Most of those accidents take place in New South Wales. Around one-third of them occur in that state. Of those, around one in five of the cyclists killed were not wearing helmets and around one in five of the motorists killed were not wearing seatbelts. Where the level of alcohol was known, alcohol was a factor in two out of five fatal crashes on the nights of Thursday, Friday and Saturday. Speed was a factor in 37 per cent of fatal crashes.

The member for Casey spoke of the young, who are particular victims of road carnage. A lot of attention is paid to the young, particularly young men, who believe themselves invincible. But both the young and the elderly are injured or die in road crashes at a far greater rate than the rest of the population. The young—between the ages of 17 and 25—account for 25 per cent of fatalities. But nearly 50 per cent of pedestrians killed are over the age of 60, even though that age group accounts for only 18 per cent of the population.

Labor has a commitment to forging a stronger role for the Australian government in road safety strategies by working much closer with all stakeholders in an effort to reduce the road death toll and the number of serious road accident injuries. State and territory governments and the transport industry have worked hard to reduce the national road death toll, and their achievements cannot be underestimated. But the Australian national government must be more involved and show even more leadership in reducing road trauma. We particularly encourage the government to support and become a member of the Australian New Car Assessment Program, ANCAP—an assessment program run by the motoring clubs and the state governments to provide to consumers information on the safety features of cars. The program has put the issue of vehicle safety firmly in the minds of consumers and encourages car manufacturers to consider issues of safety in their manufacturing design. We encourage the government to follow Labor’s lead and provide funding for the expansion of this program.

In closing, I once again commend the member for Casey for raising this issue and I commend this motion to the House.

Mr WOOD (La Trobe) (1.26 p.m.)—Firstly, I congratulate the member for Parramatta. Importantly, I also congratulate the member for Casey, Mr Tony Smith, on raising such an important issue which affects not only the electorates of Casey and La Trobe but all electorates across Australia. On Saturday I drove from my house in Belgrave to Gembrook. In that 30-minute drive I passed two separate sites on winding narrow roads
where large trees were covered in flowers and one tree had a skateboard nailed to it. This is the telltale sign of the death of a young person on our roads—a life taken too early and missed by many.

Over 17 years ago, I was a trainee constable at the Lilydale Police Station. In my first six months on the job I went to six fatalities in the electorates of Casey and La Trobe. In my police career I would say that at least one-third of the fatalities I attended were for people under the age of 25 years. The worst part of the job was giving a death message to mum and dad. I could never comprehend what must go through the mind of a parent after being told that they will outlive their child. The other innocent victims are the friends of the young people who have died. Some suffer from depression and drop out of school or university, others go on a binge-drinking spree and some go into a shell.

Why are there so many deaths in the electorates of Casey and La Trobe? The answer may be that only 50 per cent of the roads are sealed and many are narrow and winding. Standard driving lessons do not teach our young how to recover when you lose control in thick gravel on a dirt road. In winter there are sections of roads totally covered in ice. Standard driving lessons do not require a young driver to simulate losing control of a car on an icy road. A skidpan, which is an area covered in oil, will simulate such an experience. We have winding country roads, and standard driving lessons do not teach a young driver the fine art of driving safely through corners and the dangers of overtaking on country roads.

Apart from the tragic loss of life and injury, there is a strong economic argument for advanced driver education for our young. On 10 November 2004, an article in the Free Press Leader by Peter Rolfe revealed that, in the shire of Yarra Ranges, deaths and serious injuries so far this year have left a bill of $226 million. This included the deaths of 12 people, a quarter of whom were young drivers. Graham Cockerel, President of the Lions Club of Berwick and also a tow truck driver, is trying to establish an advanced driving course and training circuit for young drivers in the electorate of La Trobe. Graham, as a local tow truck driver, has attended many accidents in La Trobe and strongly believes that the majority of accidents involving young drivers are caused by inexperience in hazardous situations, such as driving on gravel or narrow roads.

Last year, 61 people aged 18 to 25 died on Victorian roads. This represents a quarter of the state’s deaths. However, drivers aged between 18 and 25 represent only 14 per cent of the state’s drivers. On 19 November 2004 the then acting Prime Minister, John Anderson, and the Minister for Local Government, Territories and Roads, Jim Lloyd, announced that Australian transport ministers have endorsed the National Road Safety Action Plan. The member for Casey and I would like to voice our support for Mr Anderson and Mr Lloyd in their endeavour to introduce a large national trial for compulsory driver education for all new provisional licence holders by 2007.

More hours on the road and behind the wheel will help an inexperienced driver, but parents are not advanced driving instructors. Most parents would not get themselves in a situation where they are losing control of a car, so how can they teach their child to recover from such a situation? A compulsory driver education course for our young people will assist them to develop driving techniques with an emphasis on defensive driving in hazardous situations. I firmly believe that compulsory driver education is the next major step in saving young lives. I strongly support the member for Casey’s motion.
Mrs ELLIOT (Richmond) (1.31 p.m.)—I speak in support of the member for Casey’s motion. Road deaths are a major problem in our community. The human cost is immeasurable, and the devastation to families is long lasting. When I was a police officer I attended many fatal traffic accidents and, as the member for Latrobe commented earlier, I often had the duty of informing the families of those who had died in these traffic accidents. Most of those families immediately wanted to know the answers as to why their young children had lost their lives, and it was often very difficult to provide those answers to them. Unfortunately there is no single answer because most road accidents are a result of a combination of factors, not the least of which is the state of our roads.

During the recent election campaign the government made significant funding promises to upgrade several local roads within the Richmond electorate. This included $120 million for the Tugun bypass, $12 million for the Alstonville bypass and $40 million for the Sexton Hill deviation. These are all very important projects for the safety of locals and of the thousands of visitors who use these roads every year. So today I put the government on notice that I will be fighting to make sure these road projects are delivered. If the Deputy Prime Minister thinks he can back out of funding these projects he has another thing coming. I will be holding him and the government accountable from now until those roads are opened. I believe that all governments—federal, state and local—must work together to make sure that our roads are safe for commuters. I am happy to work with any level of government to make sure the people of Richmond have the safest possible roads on which to travel.

The Pacific Highway, which goes straight through Richmond, is about 800 kilometres long and stretches from Sydney to Brisbane. It carries 5.4 million vehicles a year and 770 heavy transport vehicles every day. It has recorded an appalling 10,000 casualties, including 600 deaths over the past decade. Last year more than 20 per cent of all fatal crashes on the highway happened in the Ballina, Byron and Tweed areas. I want local families to be able to get in their cars in the knowledge that they are going to be able to drive on a safe and well-maintained road.

When I was a police officer I witnessed many young drivers taking their lives into their own hands when they got behind the wheel of a car. Young drivers are generally classified as those aged 17 to 25. This group is overrepresented in the road toll. Young drivers hold 16 per cent of licences yet they account for 26 per cent of drivers killed or injured in road crashes in New South Wales. Driver inexperience and driver overconfidence leading to risk-taking are some of the main reasons why so many young people are involved in road crashes. Other major contributors to accidents are speeding, drink driving, driver fatigue and not wearing seatbelts. All levels of government must work cooperatively to ensure there is increased driver education, particularly for young drivers. It is particularly pertinent at this time of year, when we have increased numbers of cars on the road and an increase in the number of young people driving.

Speeding is a major factor in at least 40 per cent of fatal crashes in New South Wales, so we have to ensure there is adequate enforcement in relation to this. Of course, making young people aware of the penalties for speeding should be part of increased driver training. We need to have effective speed management strategies to address speeding.

I think it is also important to note the role of the community in assisting to ensure that we have safe roads through programs like the driver reviver stops which occur on many major roads, particularly throughout Rich-
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mond and in the holiday period. I would like to take this opportunity to thank all those volunteers who will spend so much of their time over this holiday period committed to ensuring that roads and drivers are safe. I commend this motion to the House.

Mr BAKER (Braddon) (1.36 p.m.)—I wish to commend the member for Casey for this motion, and I commend the previous speakers. Recent research by the psychology department at the University of Tasmania has found that even minor road accidents can affect lives, leaving victims liable to stress attacks for years afterwards. The psychological consequences of motor vehicle accidents often go unnoticed. For some people the psychological effects and symptoms include irritability, concentration difficulties, disturbing dreams, difficulty in sleeping, always feeling on guard, and avoiding reminders of the accident. However, it is paraplegia, loss of limbs and serious brain injury that are all too visible and real for many of Australia’s road accident victims.

I wish to acknowledge the magnificent work done by many of the community based organisations, including the Road Trauma Support Teams in Victoria, South Australia and Queensland, who support road accident victims and their families. I especially wish to acknowledge the organisation in Tasmania that assisted me after a horrific accident some six years ago.

As a strong campaigner for national compulsory driver education and for safer driving, I find the apathy of some of the government decision makers appalling. This is a national problem and I find that Tasmania is representative of the national issues we face. I wish to bring to the House an example as recorded in the Tasmanian *Examiner* newspaper on 1 December. State Labor infrastructure minister Brian Green said—and it sounds so wonderful—that pre-driver awareness training is provided for years 10, 11 and 12 students in 90 per cent of independent schools and 94 per cent of public schools.

However, a Tasmanian government spokesman said, ‘the course’s structure and content varied at the school’s discretion’, ‘there is no uniformity across courses’ and ‘the structure and content of courses that are offered is entirely up to the individual schools and that includes whether they even offer such a course.’ The reality is that they have no idea how many students attend such courses, whether the content is in line with current research and road safety campaigns and whether one course is more successful than another in achieving results. We must not dismiss the call from respected road safety organisations such as the RACT and experts such as Barry Oliver—who is a driving expert and multiple Targa Tasmania winner—for driver training to include defensive driver skills. It is foolish to ignore the views of such experts.

I bring to the attention of the House an example of inexperienced driving that I witnessed at Symons Plains raceway during a recent defensive driving course. A 19-year-old female driver, who had held her licence for two years, was participating in the wet emergency stopping exercise and, in an attempt to decelerate her vehicle, applied the hand brake, putting her car into a diagonal spin. If this had occurred on a public road it would have brought about serious injury or death to her, those in oncoming traffic or pedestrians. How many lives of young people are lost on Australia’s roads due to these types of actions?

While we must continually upgrade our training programs and safety laws, we must also maintain our highways and byways to the levels required to keep all users as safe as possible. As a contentious example, I wish to bring to the House’s attention a notorious
section of highway in my electorate called the Sisters Hills Road, which is a part of the Bass Highway. Many deaths and serious accidents have occurred there over many years. This is a state road and a state responsibility but due to the Tasmanian state Labor government’s procrastination and lack of political will nothing has been finalised over some six years. The Australian government has committed up to $15 million to upgrade this dangerous section of highway. The delaying tactics will eventually cost more lives and cause serious injuries and it is time that this inaction, and the shameful disrespect that the Tasmanian government have for everyday road users, was exposed.

I am also of the view that, as with motorcycle licences, power-to-age restrictions should apply to motor vehicles. Permitting inexperienced drivers access to and control of high-powered motor vehicles is both dangerous and irresponsible. A solution to this could be graded licences.

According to ATSB figures for 2002, 27 per cent of all drivers who were killed were aged between 17 and 25 years, while more than a third of all people—drivers, cyclists, passengers and pedestrians—who died on Australian roads in that year were aged under 25 years. A compulsory pre-driver training course in years 10, 11 and 12 is only the start to becoming a competent and responsible driver. There is urgent need to integrate all the important components of driver training into a teaching package that is not hit and miss and is compulsory for all our young people. It just makes commonsense to integrate this into high schools for years 10, 11 and 12. I commend the motion.

Mr ADAMS (Lyons) (1.41 p.m.)—For some time, I have had considerable interest in trying to make our roads safer, so I welcome the opportunity to discuss this issue through the honourable member for Casey’s motion. In Tasmania, we have had so many incidents now of avoidable death and injury that one cannot just blame the people who are involved. Some responsibility should be taken by those who design the roads, design and build the vehicles, set the speed limits and teach people how to use the various types of vehicles we find on our roads today.

The automotive industry is producing faster and more highly technical cars, so that drivers have almost nothing to do except steer the vehicle. Cruise control, automatic gears and power steering have made a car almost a part of one’s body. It is so familiar and so easy to manipulate that it is just as easy to lose concentration and forget what we are doing. Even falling asleep at the wheel is now more common.

A car is highly dangerous piece of equipment, yet it is not sold as that. Young people see it as a status symbol—even a sex symbol—having a nice, shiny, fast, sleek car. It is also a status symbol to be able to hoon around doing ‘doughnuts’, drag-racing or merely driving very fast. There have been a horrific number of incidences where teenagers have died in overloaded motor cars which have careered along because the driver did not have the skills to deal with the road conditions.

Many adults, too, have been swept into this need for speed and power—and the need to try to make up time, which leads to road rage and deliberate law breaking. What is it about getting behind the wheel of a car? People’s characters can change remarkably. Normally meek and mild people suddenly turn into the most aggressive roadhogs you could ever imagine. That appears to be to do with an individual’s take on their personal transport and how cars are sold in films and in the media: that it is cool to be aggressive and fast.
This, linked with alcohol, can be a very dangerous combination. There was a newspaper article about a recent national survey conducted by the Alcohol Education and Rehabilitation Foundation. According to the article, the survey found that ‘most young people drive home from sporting clubs despite being on the booze all night’. The article goes on to say that ‘we do have a culture that encourages drinking to excess’. Daryl Smeaton of the Alcohol Education and Rehabilitation Foundation said of the study that it has identified that binge drinking in the nation’s sporting clubs was reaching crisis levels. Those sporting clubs need to have a good look at that and protect their members. If this federal government is going to make any impact on road safety we need to create another image for driving. Certainly funding should be provided to allow schools to have driving as part of the grade 9, 10 and 11 curriculum, but with it should go the teaching of responsibility and the costs associated with being a driver, a motorcyclist or a cyclist. But there are a few other practical things that can be done.

The SPEAKER—Order! It being 1.45 p.m., the debate is interrupted in accordance with standing order 34. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed.

STATEMENTS BY MEMBERS

Medicare: Bulk-Billing

Mr RUDD (Griffith) (1.45 p.m.)—For 20 years Medicare has been the foundation of Australia’s health care system. For 20 years Medicare has provided health care for Australians on the basis of need, not ability to pay. Throughout these 20 years, bulk-billing has been the cornerstone of Medicare. But today, in my electorate of Griffith on Brisbane’s south side, residents still struggle to find a bulk-billing doctor. It was not always this way. Three years ago nearly 90 per cent of GP services on the south side were bulk-billed. But a combination of neglect and disdain on the part of the Howard government has resulted in the number of services on the south side declining dramatically.

Over a period of just three years, the collapse of bulk-billing services on the south side has been dramatic indeed—falling from 87.7 per cent in 2000 to 59.5 per cent during this period. The rate of collapse of bulk-billing on Brisbane’s south side has been the fifth greatest in Australia—and that is out of 150 federal electorates. It is no wonder residents in my electorate of Griffith are fed up. Over the past year I have distributed a ‘Save Medicare’ petition on the south side, giving residents a chance to send the message to parliament that they want the Howard government to provide long-term solutions to the bulk-billing rate, as opposed to short-term fixes based on the electoral cycle.

Today I would like to table these petitions, consistent with standing order 209(b), containing the signatures of 2,298 residents of Brisbane’s south side, who call upon the federal government to take urgent steps to restore bulk-billing services on the south side.

The petition read as follows—

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

The petition of the undersigned rejects the Howard Government’s proposed changes to Medicare. The undersigned requests the House takes urgent steps to restore Medicare to the fair and strong health care provider that it once was.

from 2,496 citizens. (Time expired)

Cook Electorate: Kurnell Peninsula

Mr BAIRD (Cook) (1.46 p.m.)—I rise today on a matter of great importance to my area, to all the residents of the Sutherland
Shire and to Australians in general. In 1770, Captain James Cook made his first landfall on the Australian mainland at Kurnell, meeting for the first time the Indigenous inhabitants of this country. It was because of his landfall that Kurnell has a resonance with all Australians as the place where modern Australia was born. Kurnell also has great meaning for Indigenous Australians, as it is the place of first resistance and the first encounter with European culture—a meeting that was to have a great consequence for Indigenous societies.

Kurnell, too, is of enormous environmental worth to our nation, possessing wading habitats for migratory birds that are of such importance that they are protected under the international Ramsar, JAMBA and CAMBA treaties. It might then surprise the House to learn that this area has been the subject of great environmental degradation over the last 100 years, particularly through sandmining and industry.

More than 200 million tonnes of sand have been stripped away from the once mighty dune system that greeted Cook, and later the First Fleet, when arriving in Australia. This has reduced a complex dune system not found anywhere else on Australia’s east coast to nothing more than a series of lakes and ponds believed to be up to 40 metres deep. Rocla Pty Ltd have lodged an application with the New South Wales government to remove the very last visible sand dune from this area, which is in closer proximity to Cook’s landing site than any of the existing mines. I will be fighting hard to have the Commonwealth government stop this ridiculous proposal. (Time expired)

**Education: Literacy and Numeracy**

Mr JENKINS (Scullin) (1.48 p.m.)—Last week in question time, in announcing his literacy inquiry, the Minister for Education, Science and Training, unfortunately, was very negative about the achievements of schools, especially government schools. He would have done better to also give examples of excellence, such as the 2004 National Literacy and Numeracy Week excellence awards, announced in September this year. Three of my local schools won awards. An achievement award went to St Peter’s Primary School, Epping, one of 26 in Victoria, and two schools got excellence awards—two of only 14 throughout the whole of Australia. One was St Monica’s College, Epping, part of the Catholic system; the other was Thomastown West Primary School.

Thomastown West Primary School was one of 14 schools nationally, and is part of the government system, that was celebrated for its achievements through its literacy programs. Thomastown West Primary School has students from 40 different cultural backgrounds. The needs of each child have been identified and addressed through this program. Student outcome data shows consistent improvement over time for the target group. I say to the minister for education: come to my electorate and visit a school like Thomastown West Primary School, where we can encourage children and show what can be achieved even in the state system without lagging by giving it bad examples and saying that all schools’ achievements are low. It is between the community and the school that we will see better literacy rates throughout Australia. (Time expired)

**Fisher Electorate: Sunshine Coast Helicopter Rescue Service**

Mr SLIPPER (Fisher) (1.50 p.m.)—The Sunshine Coast Helicopter Rescue Service was established on 21 November 1979 and has been operating continually since that time to save people’s lives on and around the Sunshine Coast and region. Often placing the pilots and paramedics in life threatening situations in order to carry out its charter and
service to the Sunshine Coast community, the service has, after 25 years, a rescue tally of more than 15,000 people.

The high level of support from community donations and, in more recent years, the major sponsorship of Energex, has allowed for the valuable work of the rescue service to continue. Individuals from all over the world are in debt to the rescue crews, pilots, paramedics, doctors, nurses, police and volunteers, who all play a significant role in the running of such an important operation. I would like to take this opportunity to congratulate Mr Jim Campbell, the retiring chief pilot, who has put many years of his heart and soul into the professional operation of this wonderful Sunshine Coast institution. Hundreds of people have been involved in the service over the 25 years of operation and are all widely respected by the community for the great work they have achieved and which they continue to carry out.

The rescue service has come a long way since its humble beginnings—it had only one helicopter back in 1979. The service now operates three machines, with one based in Bundaberg and the remaining two at Maroochydore Airport. However, as with all such vital community based services, it is still necessary that the community, business and government band together to help to raise more money so that the service is able to continue to operate smoothly. (Time expired)

International Day of the Volunteer

Ms HALL (Shortland) (1.51 p.m.)—Yesterday was the International Day of the Volunteer, and I would like to take this opportunity to recognise the hard work of all the volunteers in Shortland electorate and, for that matter, throughout Australia. Volunteers are the backbone of our communities. They provide many thousands of hours of unpaid work, and without their contribution not only would Australia be a lesser nation; it would also cost government at all levels an enormous amount of money to provide similar services.

Volunteers enrich our nation through their work, work that they perform not for what they can get out of it but because they care. They care about their communities and those who live in them. The tasks performed by volunteers are many and varied. Volunteers work with pensioners and in our schools, coast guard, fire services, emergency services, sporting groups and many charities, as well as caring for loved ones in their homes. Wherever there is work to be done you will find a volunteer. In Australia we owe our volunteers our respect and thanks. Without them and their selflessness, Australia would be a poorer place.

Today the Central Coast Volunteer Referral Agency is having its International Volunteer Day luncheon, at which the service of many volunteers on the Central Coast will be recognised. I add my thanks and appreciation for their work and commitment to our communities, along with those of all the volunteers in the Shortland electorate.

Kalgoorlie Electorate: Wheat Growers

Mr HAASE (Kalgoorlie) (1.53 p.m.)—Mr Speaker, I rise today to take this opportunity to present to the House a petition from wheat growers from my electorate containing 615 signatures requesting that you and this House take note of the outstanding debt from the Australian people to those wheat growers who lost out on payments back in the 1987 seasons and onwards in relation to the debt from Iraq to those growers.

It is true that those growers have in fact received, as part of the payout of an insurance policy, some 80 per cent of the value of that wheat sold overseas. But a body of opinion exists that, given that from 2011 onwards there is a policy to collect the remaining out-
standing 20 per cent from the Iraqi people, arrangements ought to be put in place now to compensate those growers with the remaining 20 per cent of the debt outstanding. It is always my commitment to truly and fairly represent all points of view within my electorate and, in doing so, I table this petition on their behalf.

The petition read as follows—

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

The petition of certain Wheatgrowers of Australia points out to the House that the Federal Government has a moral obligation to pay the outstanding Iraq Debt to Wheat Growers.

Your petitioners therefore request the House to make that outstanding payment to the Wheat Growers of Australia

from 615 citizens.

Australian Film Industry

Mr DANBY (Melbourne Ports) (1.54 p.m.)—I rise to celebrate the continuing success of the Australian film industry, particularly as evidenced in the success of Central City Studios, which I visited last week with Ewan Burnett from Burberry Productions. We visited the site of studio 4, where Last Man Standing is being organised for the Seven Network, involving 22 episodes. Not only was studio 4 full with this Australian TV series but I was also very pleased to see that the American film production Ghost Rider has all the other studios packed to capacity. The wisdom of the Victorian government in seeing that there is an active film industry and that there are the most modern facilities for it is surely being fulfilled in those studios.

I was very pleased to hear from Mr Burnett that the successful book Animalia is going to be turned into an international animated feature funded by PBS and again produced by Burberry in Melbourne. The wisdom of having the film industry partially based in Australia, in Sydney and Melbourne, is fully evident in the success of Central City Studios and I am very pleased to see so many Australian actors involved, including 65 people fully employed on Last Man Standing. The current production is going to employ 250 in the end, with 700 extras. Many of those actors work in my electorate.

Wakefield Electorate: Aged Care Facilities

Mr FAWCETT (Wakefield) (1.55 p.m.)—I rise to speak about some of the regional communities in Wakefield. We have a number of communities centred in townships such as Balaklava, Hamley Bridge and Mallala where aged care facilities play a key part in community life. Mallala is one good example, and on behalf of the Mallala community I tabled a petition with over 600 signatures last week highlighting the role their community hospital plays. In 2001, the community hospital was recognised as one of the hospitals that needed to focus on the provision of aged care, and since that time it has received grants in excess of $1 million, which has enabled the hospital to become not only one of the significant employers in the whole region but also a facility that enables families to remain together.

I commend the work of the government over the years to recognise the importance of these rural and regional communities and the hospitals and aged care providers within them. I urge the government to continue that support and to consider the applications from these regional communities in the current round of funding applications.

Bendigo Electorate: 2004 Commonwealth Youth Games

Mr GIBBONS (Bendigo) (1.57 p.m.)—The 2004 Commonwealth Youth Games were successfully conducted in Bendigo last week, with over 1,000 athletes and team of-
ficials participating and with 25 nations from throughout the Commonwealth competing. The program consisted of 10 sports, with a total of 193 gold medals being presented. The games were primarily sponsored by the Victorian state government, the City of Greater Bendigo, the Commonwealth Games Association of Australia and La Trobe University Bendigo.

There was one organisation missing from the sponsors list, and that was the federal government. Not one dollar was provided by the Howard government for this significant international sporting event. It is little wonder the Minister for Arts and Sport, Senator Kemp, did not have the courage to visit Bendigo when he was scheduled to during the recent election campaign. He slimed out at the last minute. He dingoed out because he did not have the nerve, even though Bendigo was then and still is a marginal electorate. After spending $6 billion in just over an hour during the election campaign, the Howard government ignored one of the most significant international sporting events ever held in regional Australia. Why? Was it because it was conducted in a non-coalition electorate? On the issue of funding worthwhile projects and events in non-coalition held regional electorates, even Ebenezer Scrooge himself would not hold a candle to this government. I welcome the forthcoming Senate inquiry into the way this government allocates funding for its various programs—something that I have been pushing for the past few weeks. I will have a lot more to say about this event in the grievance debate later this afternoon.

Moncrieff Electorate: Federation Walk Coastal Reserve

Mr CIOBO (Moncrieff) (1.58 p.m.)—I rise to celebrate another outstanding achievement by a local community group on the Gold Coast, the Friends of Federation Walk. The Friends of Federation Walk and other groups and individuals trying to preserve the exceptionally valuable piece of coastal scrub known as Federation Walk Coastal Reserve have faced multiple hardships in recent times. But they had a success recently when they received in Queensland the EPA clean beach challenge award for 2004. Two years ago, fire challenged the future of the Federation Walk Coastal Reserve and more recently, and disappointingly, again the area was gutted by fire only a matter of months ago. Following these fires, enormous efforts have gone into both recovery and revegetation of the area.

Last year, drought also threatened the revegetation efforts being made. With no rain and with water restrictions in place to preserve the Gold Coast’s dwindling water supply, seedlings and young plants were going to die. However, through support from the federal government’s Work for the Dole program, in addition to support from the local council and community leaders, I was pleased to see that the seedlings and young plants all survived. With typical creativity, the support of council and the federal government and a grant from the Community Gaming Fund, a project was launched to tap the treated effluent line that runs through the reserve. A small reservoir and simple irrigation lines were installed and volunteers have been rostered to turn the taps on several times a week. It is a great project undertaken by spirited people and it has helped save the replanted vegetation for another year. (Time expired)

The SPEAKER—Order! It being almost 2 p.m., in accordance with standing order 43 the time for members’ statements has concluded.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.00 p.m.)—I inform the House that
the Minister for Foreign Affairs will be absent from question time today and tomorrow. He is in Indonesia to attend the inaugural interfaith dialogue. I will answer questions on Defence issues on his behalf, and the Minister for Trade will answer all other questions.

QUESTIONS WITHOUT NOTICE
Regional Services: Program Funding

Mr Latham (2.00 p.m.)—My question is to the Minister for Industry, Tourism and Resources. Can the minister confirm that Primary Energy Pty Ltd sought funding through the biofuels capital grants scheme for its ethanol project in the seat of Gwydir? Can he confirm that the funding application from Primary Energy Pty Ltd was rejected? On what grounds was the project rejected?

Mr Ian Macfarlane—I thank the Leader of the Opposition for his question. I am not able to confirm details of the first round of applications other than to say that there were five successful companies awarded assistance under that program, and those companies that were unsuccessful have been invited to resubmit applications.

Trade: China

Mr Wakelin (2.01 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House of the steps Australia is taking towards a possible free trade agreement with China? Would the minister explain how a free trade agreement with China would benefit Australia’s resources sector?

Mr Vaile—I thank the member for Grey for his question. He represents an electorate that exports large quantities of minerals, resources and energy, as well as large quantities of agricultural product. In fact, he would be aware that just recently the AWB sold 1.5 million tonnes of wheat to China in a single deal.

What are we doing towards an FTA with China? We are currently engaged in a joint scoping study with the Chinese government into the possibility of a free trade agreement with China. This is underpinned by our excellent trade relationship with China and our excellent people-to-people linkages with China, given that over the last five years the total trade relationship has tripled to $27.3 billion and China is now Australia’s second largest merchandise export market after Japan. Merchandise exports grew by 22 per cent over the last year. We are aiming to conclude the feasibility study into an FTA with China by the end of the first quarter next year.

A key aspect of this study is broad consultation with exporters and industry groups within Australia, and its focus is the benefits that would accrue to both sides—from our perspective, obviously, the benefits that would accrue to Australia. It has been indicated to us by the resources sector that, if we proceed with an FTA, a reduction in tariff barriers and investment restrictions would lead to much greater exports of resources out of Australia, bearing in mind we already have that significant gas contract win that starts flowing in the next couple of years. Those exports would expand over and above the current level of mining and energy exports of $3.8 billion. Like the Thai free trade agreement and the Singapore free trade agreement, the China study is a landmark in Australia’s ambitious Asian trade agenda, which includes possible FTAs with the ASEAN group and with Malaysia.

The whole focus of this, from our perspective, is about expanding our export sector and therefore creating more jobs in the Australian economy. Our scoping study, which we expect to be concluded by the end of the first quarter next year, will put us in a position to make a decision about whether or not we go ahead with the free trade agreement.
negotiation at that point in time. We understand that some members of the Labor Party are conducting their own scoping study, but it is not about an FTA with China. So, we will be making a decision off the back of our scoping study about going ahead with an FTA with China, while members opposite conclude their scoping study about the leadership of the Australian Labor Party.

Economy: Growth

Mrs VALE (2.06 p.m.)—My question is addressed to the Treasurer. Would the Treasurer summarise for the House recent data on household incomes and income distribution? What does this information indicate about the living standards of Australian families; and what factors have contributed to this result?

Mr COSTELLO—I thank the honourable member for Hughes for her question. The Bureau of Statistics released on Friday their statistics on household income and income distribution. They showed that, unquestionably, household disposable income has been rising in Australia. In 1994 household disposable income was $445 a week. In 1995-96 it dropped to $439 a week, but by 2002-03 it had risen, almost continuously, to be $510 per week. More importantly, household disposable income increased for lower-income, middle-income and upper-income households. Over that period, the increase for the bottom fifth of households was 10 per cent; for the middle fifth, 16 per cent; and, for the top fifth, 19 per cent. You will often hear people say that the rich are getting richer and the poor are getting poorer. That is not true. The rich are getting richer and the poor are getting richer in Australia today. All of the measures, including household disposable income, show that.

During the first period of this measurement, the rich got richer at a higher percentage than the poor got richer, although both got richer. Interestingly enough, after 2000 we saw a switcharound. After 2000 it showed that, in relation to increases, there was equality in the ratio of income increase for high-income earners and low-income earners. In other words, after 2000 there was a change: low-income earners started increasing their income at a higher rate than they had previously. Undoubtedly, the main
cause of that after the year 2000 was the A New Tax System.

The A New Tax System, as has been found now by the Australian Bureau of Statistics and as has been confirmed by NATSEM, actually was a great advantage for low-income earners in Australia. Those of us who were around in the year 2000 can remember how the Labor Party said that the GST would probably destroy Australia as we then knew it. That was their excuse for opposing the new taxation system. The evidence is now in: not only has Australia had four years of solid growth since, but all incomes have increased and, what is more, lower incomes have increased at a faster rate than previously.

We only have these figures up to 2002-03, but things would have improved even more considerably for families since then with the introduction of the $600 additional family payment. That is $600 of real money—money that goes into bank accounts, money that comes out of bank accounts, money that buys goods and services, money which millions of families out there know to be real, money which was denied by the honourable member for Lilley, who to this day cannot bring himself to acknowledge that families are better off. That is only compounded by some of his colleagues now coming out and saying what a terrible mistake it was to say to families who are really relying on the $600 that it did not exist.

**Opposition members interjecting—**

Mr COSTELLO—They interject. Mr Speaker, you will recall that during the election campaign the Labor Party tax policy was a tax policy that could make you better off every week and leave you worse off at the end of the year. It does not happen like that in the real world. If you are better off every week, you generally tend to be better off at the end of the year; and if you are worse off at the end of the year it is because you were not better off every week. This is the government that has increased household disposable income recently for those lower-income earners in our society.

**Regional Services: Program Funding**

Mr LATHAM (2.11 p.m.)—My question is to the Minister for Transport and Regional Services. Can the minister confirm that Primary Energy Pty Ltd sought funding through the Regional Partnerships program for its ethanol project in the seat of Gwydir? Can he confirm that the application for funding from Primary Energy did not meet the published guidelines for this program and could not be funded the proper way? Minister, why was this ethanol project rejected three times under three separate government programs—the Greenhouse Gas Abatement Program, the biofuels capital grants scheme and the Regional Partnerships guidelines—but was still able to receive funding as a project of national significance under the secret SONA guidelines?

Mr ANDERSON—I thank the honourable member for his question. The proponents did not seek funding under Regional Partnerships: they sought it under the Namoi Valley structural adjustment package.

**Opposition member**—That wasn’t part of the question.

Mr ANDERSON—That was part of the question; you did not hear your own question. It is very important to understand that distinction. As I said in this place last week, the stresses and strains, in economic and social terms, are very great indeed in a lot of the communities in this country that are at the cutting edge of bringing water usage back into equilibrium. The government, in conjunction with the New South Wales government, set out to try to find a decent and structured approach to helping those communities cope, with a contribution of $20 million over 10 years from each government.
It was under that program that the assistance was sought, and it was subsequently recommended.

It happens to fit the SONA guidelines as well. They are not secret, as you claim. Indeed, it is worth making the point: so secret are they that the Auditor-General—when remarking on the predecessor to the SONA guidelines, which was operated under RAP, the Regional Assistance Program—made some comments, which were fully published in his report at the time, about how the guidelines might be sufficiently and properly adjusted. They were published, and his recommendations were picked up.

Indigenous Affairs: Domestic Violence

Mr TOLLNER (2.14 p.m.)—My question is addressed to the Attorney-General. Would the Attorney-General inform the House what steps the government is taking to overcome family violence in Indigenous communities?

Mr RUDDOCK—I thank the honourable member for Solomon for his question. Members would know of his interest in matters relating to Indigenous Australians and particularly the concern that he has—as many of us do—in relation to family violence when it occurs and wherever it occurs, whether it is amongst Indigenous people or otherwise. The government does recognise the need for better coordination, accountability and performance to produce better outcomes for Indigenous Australians. New arrangements that have been announced by the Prime Minister and the Minister for Immigration and Multicultural and Indigenous Affairs in April this year were about three key objectives: overhauling policy settings, reshaping service delivery, and shared responsibility for outcomes.

We are taking immediate action to address the issue of family violence in Indigenous communities by expanding the family violence prevention legal services by $22.7 million over four years. That will allow us to establish a further 13 services, doubling the current support for Indigenous communities in relation to family violence. The majority of those should be operational by next March. The aim is to improve access to legal services for victims of family violence and those at risk and to provide culturally appropriate responses by providing a range of services, including legal assistance and advice; crisis counselling, including sexual assault workers; referrals to other agencies; and community awareness raising initiatives about family violence. That is in addition to the $37 million over four years which is part of the Indigenous Family Violence Partnership Program, which is a flexible pool of funds already available. This new partnership program will support the approach of developing local solutions. I think it demonstrates very clearly the government’s real and ongoing commitment to practical reconciliation and better outcomes for Indigenous Australians.

Roads: Funding

Mr KELVIN THOMSON (2.16 p.m.)—My question is to the Minister for Transport and Regional Services. I refer to statements on 26 November by the Liberal member for Hume that:

There’s absolutely no doubt in my mind that the National Party, through the roads portfolio, is pork-barrelling its electorates.

Does the minister agree with the member for Hume that the National Party has used road funding to pork-barrel its electorates?

Mr ANDERSON—I thank the honourable member for his question. The answer—it may surprise everyone in the House—is no.

Education: Literacy and Numeracy

Mr RANDALL (2.17 p.m.)—My question is addressed to the Minister for Educa-
tion, Science and Training. Would the minister inform the House of the government’s plans to assist Australian children with reading difficulties?

Dr NELSON—I thank the member for Canning for his question and also for giving me the opportunity to go to St Joseph’s at Pinjarra to see an excellent reading program. Today in Australia we know that about one in 12 children cannot pass a very basic national year 3 reading benchmark—the benchmark tests are, of course, enforced by this government—that about one in 10 cannot pass a national year 3 reading benchmark in year 5 and that in Queensland and Tasmania about one in five boys cannot pass the national year 5 reading benchmark. This has devastating consequences not only for those children through their primary and secondary education but for them in life itself. In fact, today’s Melbourne Age has run a story quoting Dr Ken Rowe, whom I have just appointed to chair the national inquiry into reading, who said:

Hospitals are complaining that their clinics are being filled with kids who are being referred for things like Attention Deficit ... But once the paediatricians sort out the children’s literacy problems, the behaviour problems disappear. What is essentially an education issue has become a health issue.

In relation to Professor Vicki Anderson, who heads the Royal Children’s Hospital’s department of psychology, the article goes on to say:

She said families often sought help at the Royal Children’s Hospital’s learning difficulties clinic because of long waiting periods at schools to have a child’s learning problems assessed by Education Department psychologists.

There are many things this government is doing in its determination to address the problem in reading in Australian schools. The first is that, as I announced last week on behalf of the government, there will be a national inquiry into reading, which will look at the way in which our children are taught to read in Australian schools. The second is to look at the way in which their reading skills are tested. The third, and perhaps the most important, is to look at the way teachers are trained to teach children how to read. It is of concern to me, as I know it is to the House, that a recent university study found that half of our early career teachers do not know what a syllable actually is.

The government will also be distributing to 24,000 parents in the first term of next year a $700 learning tuition voucher, so they can take their child and the voucher along either to the school, if that is what they choose to do, or to a private tutor and get one-to-one tuition for their child. So perhaps—and we will be carefully evaluating this—if this proves to be a success, we will have fewer parents lined up in desperation in Australian children’s hospitals trying to get treatment for a problem incorrectly diagnosed as a health problem when the real problem is that the children simply have not been taught how to read.

Family Services: Child Care

Ms PLIBERSEK (2.20 p.m.)—My question is to the Minister representing the Minister for Family and Community Services. What advice would the minister give Kelly from Mount Druitt in Sydney, who would like to return to work part time but cannot because she cannot find child care for her 19-month-old son and was told by one centre that she would be waiting another 12 months for care? Why should Kelly be kept out of the work force because she cannot get a child-care place?

Mr HOCKEY—I will say at the outset, representing Senator Patterson, that this government has been responsible for the most significant increase in child-care places of any government since Federation. Moreover,
I might add, with the 30 per cent child-care rebate announced during the election—which will be delivered in full and on time—there will be better and more affordable access for many families seeking child care.

It is about choice. This side of the parliament believes in choice for parents. Kelly—who may well be a fictional character—now has a choice that was not available to parents in the past, and that has come about because of the significant increase in child-care funding and places made available by the coalition government.

**Industry: Building and Construction**

Mr BARRESI (2.22 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister update the House on the government’s progress in addressing unlawful activity in the building and construction industry?

Mr ANDREWS—I thank the member for Deakin for his question. I can inform the House that the building and construction industry is a $46 billion a year industry that employs some 775,000 Australians. Mr Justice Cole, in his royal commission report into this industry, found that the industry was characterised by a culture of lawlessness and intimidation. Indeed, the respected economic firm Econtech found that this costs Australia some $2.3 billion each and every year. Nothing much has changed in this industry. Readers of the Melbourne *Sunday Herald Sun* woke up yesterday morning to see the headline, in large print on the front page, ‘Rort City: Unions’ free beer, BBQs and phantom pay cost state millions’. The article said:

PAYROLL “ghosts” – workers who don’t exist – are allegedly being created by unionists to boost their coffers …

A SUB-CONTRACTOR was allegedly told to pay $1000 for each of seven days’ work, then given receipts claiming the $7000 was for union T-shirts.

The article also said:

One of the worst hit projects is the Spencer St Station … It is claimed the station’s developers have had to pay for 23 representatives or officials – none of whom do construction work – to look after members on the site.

No wonder the unions in Victoria talk about the Spencer Street redevelopment as ‘Treasure Island’. We could change this culture of lawlessness and intimidation if the Labor Party were prepared to support our legislation; but the reality is that they are not. Indeed, Labor senators have said, in their report on the legislation, ‘There was no evidence of significant criminality in the industry.’ The evidence points otherwise. This government will reintroduce legislation to establish a building and construction industry commission.

The reality is that the unions and the Labor Party have got their heads in the sand on this issue. I read in the weekend newspapers that the Secretary of the ACTU, Mr Combet, said, ‘There has not been a prosecution. They have got nothing on us.’ In fact, there have been 21 prosecutions filed. Seven of those have been successful and 14 are still before the courts. There is a choice here for the Australian Labor Party: will they continue to be the puppets of the militant unions in this country or will they act in the national interest?

**Federal Election: Spending**

Mr SWAN (2.25 p.m.)—My question is directed to the Treasurer. Why should families heed the Treasurer’s advice to be careful with their Christmas spending when the government has blown $66 billion of taxpayers’ money in the government’s re-election spending spree? Treasurer, will you be warning families that you will hit them with the bill in next year’s budget?

Mr COSTELLO—In response to the second part of the question, the answer is
obviously no. I take it that that was an attempt at a humorous aside in the House of Representatives. In relation to the first part of the question, I would say that during the course of the election campaign the Australian Labor Party criticised the government for not spending enough. I must say that I am always amused by the honourable member for Lilley, who after the election wants to criticise the government’s election manifesto. During the election, the Labor Party promised to spend more.

Ms Plibersek—No, we didn’t.

Mr COSTELLO—I am sorry. Did the member for Sydney say, ‘No, we didn’t’? Perhaps the member for Sydney, who was complaining a moment ago that there were not enough child-care places, thinks that not more money but less money should be spent on child-care places. The member for Lalor, who promised the most profligate policy in Australian history, Medicare Gold, was not promising during the election campaign that less money should be spent on health but more money should be spent on health. The member for Jagajaga, during the election campaign, was not saying it was Labor’s policy to spend less on education but to spend more on education.

When one goes through all of the Labor Party campaign promises—and this was acknowledged by the member for Fraser, which is one of the reasons he went to the back bench—the Australian Labor Party went to the last election promising to spend more money than the government. So when the Australian Labor Party tells us those promises which it no longer stands for and walks away from, perhaps we will take it a bit more seriously. But it was a major reason why the member for Fraser went to the back bench, and he had some very sage advice on the weekend. I was thinking he was promising the Australian Labor Party that perhaps they should not have a down-tools until next February but seize the day before Christmas.

Mr Hockey—Carpe diem.

Mr COSTELLO—‘Carpe diem’, said the member for Fraser. It occurred to me that the member for Werriwa’s leadership could be like Labor’s family tax plan. It could be behind on a weekly basis but in front on an annual basis, if we are only to wait until February next year.

Health and Ageing: Mental Health Services

Mrs MARKUS (2.29 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister inform the House how the government is delivering better mental health services to those in need?

Mr ABBOTT—I thank the member for Greenway for her question and I acknowledge her interest in this area and her record working in this area. I can inform her that, since 1996, federal spending on mental health, principally through the MBS, the PBS and the Australian health care agreements, has increased from under $800 million a year to over $1.1 billion a year—that is nearly a 50 per cent increase and much of that is due to the tenacity of the former member for Adelaide, who worked so hard in this area.

I can inform the House that about 15 per cent of young people experience mental health problems and, in fact, three-quarters of mental health problems become apparent before the age of 25. As announced during the election, the government will spend an additional $50 million to support GPs who are treating younger people with mental health issues. On average, one person in five will experience depression over the course of their lifetime. Again, as announced during the election, the government will spend an additional $30 million on the beyondblue initiative, which, amongst other things, will
be researching the links between drug use and subsequent mental health problems.

The government will renew the Better Outcomes in Mental Health Care program until 2008 and provide an additional $30 million. As part of this program, for instance, the government has recently trialled a new hotline for GPs dealing with mental health issues amongst their patients. I can inform the House that some 74 per cent of GPs say that their clinical care has been improved as a result of this initiative. You can trust the Howard government with Medicare. We do not just talk about Medicare— we invest the money necessary to make a good system even better.

Transport: Port Export Capacity

Mr STEPHEN SMITH (2.32 p.m.)—My question is to the Deputy Prime Minister and Minister for Transport and Regional Services. Is the Deputy Prime Minister aware of reports which suggest:

The Queensland coal industry is losing $US2 billion in potential sales a year because it lacks port capacity to export a further 22 to 30 million tonnes annually.

At a time when Australia is running a record current account deficit, when will the Deputy Prime Minister acknowledge that capacity constraints in Australia’s ports are a national public policy issue requiring national leadership and are not something for which responsibility can simply be shifted to the states and territories?

Mr ANDERSON—I thank the honourable member for his question. I have actually had numerous people in the industry raise this with me, and every single one of them has understood something that the person who asked the question obviously does not understand—that is, the Beattie government in this area has been extremely ineffective and ought to get on with it and do something about it. In the one area where we do have some responsibility, the Port Waratah loader in Newcastle has not been able to operate at full capacity because of the decrepit state of the NSW lines. Under the Australian Rail Track Corporation’s 60-year lease, we are about to start fixing that, including through an overpass in Newcastle.

So where it is our responsibility, where it is our job—with waterfront reform or whatever—to show leadership, I would have thought our leadership has been second to none. In this case, I refer you to all of those industry leaders in Queensland who have beaten a path to my door and recognised fully that it really is about time that Mr Beattie—I think the Treasurer would point out that Queensland receives a windfall from the GST this year alone of around $660 million—got on with it.

Health and Ageing: Aged Care

Mrs ELSON (2.34 p.m.)—My question is addressed to the Minister for Ageing. Would the minister outline to the House how the government is providing support for older Australians?

Ms JULIE BISHOP—I thank the member for Forde for her question. I visited her electorate and I know the deep interest and concern she has for older Australians in her electorate. This government has placed unprecedented focus on the issue of population ageing and the needs of the increasing number of older Australians in our community. That is evidenced by the National strategy for an ageing Australia document, which is a whole-of-government framework for the challenges and opportunities presented by population ageing. That is why we had the Intergenerational Report, the Australia’s demographic challenges paper and also why we have supported the Australian Local Government Association in an action plan for population ageing.
In relation to the issue of aged care, this government set about reforming the aged care sector starting in 1997 with the new act, which relates to issues of quality, accreditation and certification. The reforms have continued in the last budget in 2004 in response to the review of pricing arrangements in residential aged care. The government invested a record $2.2 billion in residential aged care and also introduced initiatives such as the greater use of information technology, more initiatives to attract and retain an aged care workforce and the introduction of e-commerce into aged care.

Likewise, in the area of community aged care, older Australians are expressing a desire to remain at home and the government has invested record levels of funding in community care to ensure that aspiration can be met. That area is also under review with reforms under way. In the area of transition care we are working closely with state and territory governments to ensure that older Australians can be supported through rehabilitation and convalescence. In the last budget we announced 2,000 extra transition places that will work with state and territory governments to ensure that older Australians’ needs are met. In contrast, the Labor Party have failed to respond to their own report—the Gregory report that was commissioned on the aged care issues when they were in government. They left government with a 10,000-place shortfall. In contrast, the Howard government has seen unprecedented levels of funding. We have doubled funding in aged care, from some $3 billion to $6.7 billion today. Unprecedented levels of places have been allocated, with over 68,600 new aged care places allocated for older Australians across the country. There have been unprecedented levels of reform as this government continues to realise its vision for a world-class system of aged care that is high-quality, affordable, accessible and meets the needs and choices of older Australians.

**Budget: Mid-Year Economic and Fiscal Outlook**

Mr SWAN (2.37 p.m.)—My question is directed to the Treasurer. Has the Treasurer made up his mind when he will be releasing the Mid-Year Economic and Fiscal Outlook? Will it be released before Christmas; if not, why not?

Mr COSTELLO—As I have indicated on a number of occasions, if Treasury can produce the MYEFO in the month of December, we will release it in the month of December; if it is not ready until the month of January, we will release it in the month of January—and either will be in conformity with the Charter of Budget Honesty.

**Workplace Relations: Small Business**

Mr CAUSLEY (2.37 p.m.)—My question is addressed to the Minister for Small Business and Tourism. Will the minister inform the House what the government is doing to reduce the red tape burden on small business?

FRAN BAILEY—I thank the member for Page for his question. Australia’s 1.2 million small businesses continue to benefit from this government’s very strong economic management and we are committed to reducing red tape and providing a more flexible workplace. In delivering on these commitments of the government, last Friday I launched the ABN Lookup program. This is a free-of-charge IT program which enables small businesses to very simply and quickly enter the details of other businesses that they deal with. The net result of this new
program means that small businesses will save anything from an hour to several days per month in the time that they were previously taking.

I would like to share with the House the reaction from small business and to demonstrate just what small business thinks of ABN Lookup. I would quote from Mike Willett, the proprietor of Gisborne Office Supplies. He says:

Small business as well as large business has always had the necessity to verify ABN authenticity and in the past it has been a time consuming ordeal that has required other work to be deferred often to the evenings or weekends. This initiative has saved me in the vicinity of four hours per week which I can now spend on non-business activities.

In addition, let me share with the House what the National Institute of Accountants have to say about ABN Lookup. It says:

ABN Lookup provides businesses with a free, simple and quick way to verify these details by automating what was previously a time consuming and repetitive process.

I would like to emphasise that this is just one of many programs being introduced by this government. I remind the House about the $50 million regulation reduction incentive fund which will provide incentives to local government and further reduce the time and red tape that small business in particular is involved with. Finally, may I say that this continues and delivers on, on behalf of this government, our commitment to reduce red tape for small business.

Education: Vocational and Technical Education

Ms BIRD (2.41 p.m.)—My question is to the Minister for Vocational and Technical Education. Has the minister seen a report in the Australian Financial Review about the government’s overdue and insufficient technical colleges in which the minister says:

This is not about it being run by the local TAFE or local school ... you may end up with the BlueScope Steel boilermakers college in the Illawarra ...

Is the minister aware of comments provided by BlueScope to the Australian Financial Review that BlueScope has not been able to ascertain that they ‘have been in any formal discussion with the government about setting up a training college’? Why has the minister been pre-empting the technical college tendering process? And why has the minister been pushing one company’s involvement without that company’s agreement?

Mr HARDGRAVE—I thank the member for Cunningham; she is a new member in this place. I appreciate the fact that there has been a 202 per cent increase in the number of apprentices in the electorate of Cunningham in the time this government has been in power, which in itself is a real vote of confidence in both the economic performance of this nation and the determination of local businesses to take on new apprentices—and we want to see more.

The government has stated very clearly that we want to run a series of state-of-the-art centres of trades excellence around the country. There are 24 that have been announced. One of the locations that we have highlighted has been the Illawarra. I have not seen the article that you are particularly referring to, but at the end of the day I am delighted you have asked this question because it gives an opportunity to again encourage businesses around Australia to take the leadership that the government is after—leadership in the area of trade skills being gained by young Australians, leadership that I believe industry itself wants to participate in. If BlueScope Steel wants to write us a letter to express interest in this program, we would be very happy to receive it; it has until 18 February.
Opposition members interjecting—

Mr HARDGRAVE—I am surprised that the Australian Labor Party wants to continually try to interrupt. I am trying to help the member for Cunningham and encourage her constituents to offer an expression of interest in this absolutely vital part of the government’s skills training agenda. The member for Cunningham may care to encourage BlueScope Steel; she may care to encourage education and training providers in her electorate to be part of the discussions to come.

I can promise the member for Cunningham and members from all over Australia this: the government, through me and Minister Nelson, are very keen to engage with local communities—to talk with them about their training skills needs and to encourage them to be part of the consortia to come that will establish these Australian technical colleges. I thank the member for Cunningham for that 202 per cent increase in the number of apprentices in her electorate in the last eight years. We have a lot more to do together.

Employment: Workforce Participation

Mr HENRY (2.45 p.m.)—My question is addressed to the Minister for Workforce Participation. Would the minister inform the House how the government is helping Australians through the Work for the Dole and Green Corps programs?

Mr DUTTON—I thank the member for Hasluck for his question and congratulate him on the outstanding work he is doing in his electorate. He is, and has been for many years, a great supporter of the Work for the Dole project. I provide at the outset a warning to the Labor Party that this question does not provide them with any joy. What I am about to tell the House is not music to the ears of the Labor Party, because the Work for the Dole project and the Green Corps project are two projects which the government remain very committed to. We remain very committed to those projects because they have been an outstanding success, not just for people in Western Australia but for this country as a whole.

It is important to note that, in Western Australia, since the inception of the Work for the Dole project there have been about 4,000 projects that benefited about 31,000 participants. In the electorate of Hasluck alone there have been 315 projects and 3,500 participants. So when we say to the Australian people that this government has brought about the lowest unemployment rate in 27 years, and when we say to this parliament and the Australian people that we remain committed to keeping people in and putting more people into the work force, this is one of the reasons why we have been so successful.

The Green Corps project helps about 1,700 young Australians per year. It provides fantastic environmental outcomes for communities right across this country, and it provides about 60 per cent of the participants with a positive outcome at the end, because those people are able to find employment, education or training outcomes. So it is an opportunity today to say thank you to the member for Hasluck and to say congratulations regarding the great work that he has done. I say to the Labor Party that the Howard government remain committed to the Work for the Dole program, we remain committed to the work that we undertake in the Green Corps project, and we remain committed to young Australians and continuing to put those people back into the work force.

Health: After-Hours Services

Mrs ELLIOT (2.47 p.m.)—My question is to the Minister for Health and Ageing. Does the minister recall his media statement of 19 August 2004 where it was guaranteed
that the Tweed will receive a Commonwealth funded after-hours GP clinic? How much funding has been allocated to this important project for Tweed families, and when will it begin?

Mr ABBOTT—I can confirm to the member for Richmond that during the recent election the government made a number of commitments to boost after-hours GP services. Probably the most important single commitment that we made was a $10 after-hours loading for GP services. This means that, in addition to government-supported clinics, we can actually have a private sector solution to this particular issue. But the fact is that the government has already made funding available for some 40 after-hours services. As a result of the election commitments, there will be funding for additional after-hours clinics; $200,000 will be made available for start-up grants for up to 30 clinics; recurrent support of $200,000 a year will be made available to those clinics; and up to 50 clinics a year will have support of up to $50,000 a year. We made a commitment during the election campaign to a clinic in the Tweed, and we will keep that commitment.

Emergency Management Arrangements

Mr BAKER (2.49 p.m.)—My question without notice is to the Attorney-General. Can the Attorney-General update the House on the government’s efforts to strengthen emergency management arrangements in local communities? How will hundreds of thousands of volunteers benefit?

Mr RUDDOCK—I thank the honourable member for Braddon for his question. I know that, like many members who have large forested areas in their electorates, he is interested in the way in which those areas are managed and the impact of that, particularly with soaring temperatures, summer upon us and the prospect of bushfires. There are very real dangers associated with that. People’s homes and businesses are put at risk, and there are many volunteers around Australia who risk their lives by being involved in our rural fire services and state emergency services. These volunteers are an integral part of our response; so too are the local councils, which are best placed to manage strategies and priorities. Engaging those communities and increasing involvement and awareness at a grassroots level will be critical for improving our preparedness to manage all the hazards we face—and bushfires in particular.

Recently I announced a new initiative entitled Working Together to Manage Emergencies. The policy recognises the critical role of local government and the volunteers at the front line of our risk management and emergency response. We understand that local government is best placed to deal with those issues under this initiative. Over a period of four years, $33 million will be given to fund a local government security program, which will help councils develop a strategic plan for local consequence management as well as a local grants system to assist councils in developing and implementing community risk management plans consistent with the national plan. Another component of this policy is a $16 million volunteer support fund. This is to boost the recruitment base in volunteer organisations. We are determined to consult widely and to implement this initiative, which was announced during the course of the last election campaign, as quickly as possible, because it is obviously a very important program for the benefit of all our communities.

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

PERSONAL EXPLANATIONS

Mr MURPHY (Lowe) (2.52 p.m.)—Mr Speaker, I wish to make a personal explanation.
The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr MURPHY—Yes.

The SPEAKER—Please proceed.

Mr MURPHY—Mr Speaker, I refer to an opinion piece published last Friday in the Daily Telegraph concerning a matter that is before the Privileges Committee. In that article, the author refers to an adjournment speech that I made in this House on 30 November 2004. The author suggests that I had knowledge of a personal relationship between a journalist and an editor. At the time I made the adjournment speech I had no such knowledge.

Mr TANNER (Melbourne) (2.53 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr TANNER—Yes.

The SPEAKER—Please proceed.

Mr TANNER—In the Financial Review of 3 December an article about a speech I made in the Main Committee on the preceding day regarding the trade union movement was published and a subheading stating the following was published: ‘Lindsay Tanner says that Labor should not consult with the business community about its industrial relations policies’. This subheading is a totally false representation of both my speech and indeed the Financial Review article about it.

BUSINESS

Mr ABBOTT (Warringah—Leader of the House) (2.54 p.m.)—by leave—I move:

That standing order 31 (adjournment) and standing order 33 (limit on business after 9.30 p.m.) be suspended for the remainder of this period of sittings.

Question agreed to.

QUESTIONS TO THE SPEAKER

Parliament House: Aboriginal Flag

Mr SNOWDON (2.54 p.m.)—Mr Speaker, on Thursday I asked you a question about Michael Long’s attempt to have a photograph taken alongside an Aboriginal flag in the forecourt of Parliament House. I was wondering if you were going to report back to us today.

The SPEAKER—in response to the honourable member for Lingiari, I have been seeking advice on that. I will report back when I receive that advice.

Mr Snowdon—May I ask what is so difficult? I would have thought it would have been a fairly easy request to fulfil. What is taking the time?

The SPEAKER—I will report back to the House when I have something further.

STANDING ORDERS

The SPEAKER (2.55 p.m.)—A number of procedural matters arose during the last week of sitting. I advised the House on 2 December of my intention to make a statement when the House resumed.

Anticipation rule

On 30 November and 1 December there was some discussion about the application of the anticipation rule, particularly as it applies in question time. The anticipation rule involves two standing orders, one applying generally and one applying specifically to question time—standing orders 77 and 100(f). Standing order 100(f), relating specifically to question time, provides that questions cannot anticipate discussion upon an order of the day or other matter.

The principle behind the rule is to protect from pre-emption matters which are on the agenda for deliberative consideration and decision by the House, and to make the maximum use of the time of the House. An important part of the application of the rule
is that the chair is provided with certain discretions about its application. As *House of Representatives Practice* indicates at page 486, there has been a tendency in recent years for rulings concerning anticipation to be more relaxed. Speaker Child indicated that, in her view, the discretion available to the Speaker should be used in a very wide sense. *House of Representatives Practice* contains at pages 528 and 529 instances where Speaker Snedden both disallowed a question which invited anticipation of a second reading debate and later allowed a question about people disadvantaged under legislation. It also refers to Speaker McLeay’s observation that an interpretation of the rule that was too literal would mean that questions from opposition members would be very constrained.

My general attitude is that during question time, one of the key periods for the House to exercise its primary function of accountability, a decision to prevent certain subjects being raised should not be taken lightly. Certain matters require special consideration. For example, the House should exercise restraint concerning matters awaiting decision in the courts, so as not to give the appearance of intervening in the administration of justice. However, I have applied the anticipation rule as outlined at page 529 of *House of Representatives Practice*, in that the cardinal rule is to avoid the anticipation of discussion of orders of the day. While reference to specific provisions of a bill or a motion should not be anticipated during a question or an answer, the subject of the bill or motion may be raised; otherwise, the simple presence of an order of the day or a notice on the *Notice Paper* could be taken to restrict or prevent discussion of that subject.

Generally, the House has agreed to a wide application of the Speaker’s discretion in these matters. Consequently, for example, both sides of the House have asked questions about the proposed Australia-US free trade agreement while the enabling legislation has been before the House. The situation has been the same in respect of the proposed goods and services tax legislation and about the 1991 commitment of Australian troops to the Gulf and the more recent intervention in Iraq while motions concerning these matters have remained on the *Notice Paper*. A less strict interpretation has been applied to proposed discussions of matters of public importance. There is a common practice for questions to be asked during question time that go directly to the subject of the matter of public importance. A strict interpretation of the part of standing order 100(f) that states that questions should not anticipate another matter would see questions that link to a proposed matter of public importance ruled out of order. This is not my intention. As Speaker, I believe that the House should not lightly restrict consideration of any matter.

Difficulty arises where members seek a more selective application of the rule, and invoke the rule on some occasions, ignoring it on others. Given the interest of members in the matter, and the difficulty for the chair and the public image of the House of any perception of a selective interpretation of the rule, I have decided to seek the views of the Standing Committee on Procedure on this matter.

**Tabling of papers by private members**

In my statement to the House on 17 November, I restated some points on questions and said that I did not think it appropriate that leave should be sought for the tabling of documents where a document is already on the public record, such as a newspaper report or a *Hansard* extract. The context of my statement clearly indicates that I was referring to question time only. This position was a reflection of my commitment to raise the standard of parliamentary behaviour, and to maintain question time as a period for the
asking and answering of questions. For nearly 100 years of the House’s existence, it was not the practice for members who had asked a question to expect to seek the call again for the purposes of seeking leave to present a paper. In fact, it was established practice that a member could not seek the call, presumably on a point of order, and then seek leave to present a document.

I do not expect members from either side who have just asked a question to seek the call when a minister has completed an answer in order to seek leave to present a document already on the public record. In response to the point raised by the member for Hunter on 2 December, there have been instances concerning the granting of leave where the chair has not put the request for leave to the House in relation to documents. For example, requests are denied for a document to be incorporated in *Hansard* when the nature of the document places it outside established guidelines relating to the incorporation in the transcript of unspoken material. Members who have just received an answer to a question may continue to request the tabling of material quoted from by a minister during an answer to a question under standing order 201, or they may take a point of order.

**Points of order**

Members have also raised the question of a member’s right to raise and pursue to finality in the member’s mind a point of order. Standing order 86(a) provides a member with a right to take a point of order at any time. *House of Representatives Practice* states at page 187 that a member has a right to make a point of order without interruption except by the chair, but it also indicates that the chair may rule on a point of order as soon as he or she feels to be in a position to do so. I will continue to apply the standing orders and the practice of the House in this way. It may assist members to know that I expect a member, in raising a point of order, to get straight to the point of order.

**Parliamentary secretaries**

On 2 December I agreed to take on notice a question about the ruling I had given based on my understanding of the past practice and standing orders of the House concerning the directing of questions to ministers relating to matters that occurred during a period when they were parliamentary secretaries. I repeat that, in general, questions cannot be addressed to ministers about matters that may have occurred when they were a parliamentary secretary or during their service as a minister in another portfolio. This does not mean that the House cannot hold a parliamentary secretary to account. In respect of parliamentary secretaries, questions without notice, or written questions, may be addressed to the Prime Minister or the relevant portfolio minister. Alternatively, a minister’s conduct while he or she was a parliamentary secretary may be challenged in the House on a substantive motion.

**PETITIONS**

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

**Immigration: Asylum Seekers**

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

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

‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.

We, therefore, the individual, undersigned attendees at the Uniting Church Nanawading, VIC 3131, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Barresi (from 41 citizens)

**Immigration: Asylum Seekers**

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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 St Francis in the Fields Anglican Church, Moorooolbark, VIC 3138, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Anthony Smith (from 42 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 more that 28,500 households in Newcastle will be negatively affected by these changes;
- That the rate of bulk billing by GP’s in Newcastle has plummeted by 12% in the last two years under John Howard;
- Nationally 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 in Newcastle who does not bulk bill has increased to $12.70 today;
- That the John Hunter and Mater Hospital emergency departments are now under greater pressure because people are finding it harder to see bulk billing doctors.

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

by Dr Emerson (from 116 citizens)

by Ms Grierson (from 295 citizens)

**Immigration: Contributory Parent Visa**

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

The petition of Citizens and Residents of Australia, who, being related to Mrs Jasbir Kaur, of 11 Mira St. Blackburn South 3130, a Citizen of India seek that she remain in Australia as an overwhelming majority of her family are residing in Australia. Our relative Sarbjeet Kaur is married to Narinderpal Singh (Jasbir’s son) and both are residents of Australia and would welcome her live with them.

We draw to the attention of the House that: [Jasbir Kaur is a widow and with no male relatives in her home village will be placed in a position of vulnerability. This is referred to in her RRT decision BV93/00234 on the web. Her only two sons
are residents of Australia and will have to provide funds for her support. She has a half share of a home, is a qualified Cook and can thus easily work and not place any burden on the Australian community. She has been residing in Australia for some 12 years and it would be harsh to force her to leave and then proceed with an application for residence in Australia, which would be approved as she meets the balance of family test.

Your petitioners, being compassionate and caring Members of the Australian Community therefore pray that the House to request the Hon. Amanda Vanstone The Minister for Immigration and Multicultural and Indigenous Affairs to invite Mrs Jasbir Kaur to apply for a Contributory Parent Visa.

by Mr Barresi (from 20 citizens)

Health: Cancer Treatment
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 Mr Broadbent (from 1 citizens)

Deaf and Blind People
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 written declaration on the rights of deafblind people which was adopted by the European Parliament on the 1st April 2004. The declaration recognised the distinct and specific needs of deafblind people.

Your petitioners therefore pray that the House considers making a similar declaration for the benefit of deafblind people in Australia.

by Mrs Draper (from 82 citizens)

Roads: Pacific Highway
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain residents of Bangalow’s 2479 Community of the Northern Rivers region of New South Wales
Draws to the attention of the House the proposed study area for the Ewingsdale to Tintenbar Upgrade of the Pacific Highway and ask the following question.
Why is arguably the best horticultural land in Australia flanking the Pacific Highway being targeted for the upgrade when there is an alternative at hand?
Your petitioners therefore pray that the House request the Minister for Transport and Regional Services to take action to ensure the RTA adopt a widened study area to include the flat land east and below the escarpment of the current study area.

by Mrs Elliot (from 111 citizens)

Human Rights: Falun Dafa
To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens and residents of Australia draws to the attention of the House that:

(a) Falun Gong (also known as Falun Dafa), is a practice of meditation and exercises with teachings based on the universal principle of “Truthfulness-Compassion-Tolerance”, practised in over 60 countries worldwide and having roots in traditional Chinese culture - has been subject to a systematic campaign of eradication in China since July 1999;

(b) The Falun Dafa Information Center has verified details of 890 deaths (as at 25/2/2004) since the persecution of Falun Gong in China began in 1999. In October 2001, however, Government officials inside China reported that the actual death toll was well over 1,600. Expert sources now estimate that figure to be much higher. Hundreds of thousands have been detained, with more than 100,000 being sentenced to forced labour camps, typically without trial;

(c) The implementation of this policy of eradication violates the Constitution of the People’s Republic of China, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights which China has signed, the Convention Against Torture and the Convention on the Prevention and Punishment of the Crime of Genocide, both of which China has signed and ratified; and

(d) Australia is the elected Chair of the United Nations Commission on Human Rights for 2004 and the Commission will convene on 15 March 2004.

Your petitioners therefore request the House to initiate a resolution to condemn China’s persecution of Falun Gong at the United Nations Commission on Human Rights and request China to:

I. Unconditionally release all Falun Gong practitioners imprisoned for their spiritual beliefs, including those family members of Australian citizens and residents currently detained;

II. Allow unrestricted access into China to the United Nations rapporteur on torture, to carry out independent, third-party investigations on the persecution of Falun Gong practitioners.

by Dr Emerson (from 63 citizens)

Budget: NSW Budget

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. We the undersigned object to the Federal Government’s plan to slash $376 million a year from the NSW Budget. This is equal to the wages of 5,600 nurses.

NSW is getting a small slice of the Commonwealth’s funding pie despite the fact that it costs more to run hospitals, schools and transport in NSW.

We therefore pray that the House opposes the decision of the Commonwealth Grants Commission and urges the Federal Government to reverse its decision.

by Ms Grierson (from 33 citizens)

Health: After-Hours Services

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 Hunter GP Access After Hours service is an essential service in the Newcastle and Hunter Region — providing an extra 40,332 bulk-billed consultations across five clinics, professional telephone advice to more than 45,000 patients and delivering more than 500 home visits in its first year of operation.

• That the Hunter GP Access After Hours service has led to reductions of 20-60% in ‘walk-in’ patient workloads at public hospital emergency departments across the Hunter region.

• Despite a chronic shortage of GPs in Newcastle and the Hunter region, more than 240 doctors are working in the Hunter GP Access After Hours service.

• That the Hunter GP Access After Hours is not a trial service - it is a new service providing essential health care to more than 450,000 people in the region.

by Ms Grierson (from 33 citizens)
• That without a commitment to ongoing funds the Hunter GP Access After Hours service will have to close its doors in March 2005. We therefore ask the House to take urgent steps to secure ongoing funds for the Hunter GP Access After Hours service.

by Ms Grierson (from 1,364 citizens)

Sports: Energy Australia Stadium

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 we support the Newcastle and Hunter Region’s bid to secure funding for the $44 million redevelopment of Energy Australia Stadium.
• That we applaud the New South Wales Government’s commitment of $23.6 million to this project
• That this Government should remember the commitments made before the 2001 election regarding possible Federal help providing the State took the initiative in supporting the upgrading of the facility.
• That construction of a new international standard Energy Australia stadium would provide increased opportunities in employment, sport, tourism and regional development — all Federal Government responsibilities.

We therefore ask the House to take steps to ensure the upgrading of Energy Australia Stadium by supporting the Newcastle and Hunter Region’s bid for financial support for this project

by Ms Grierson (from 22 citizens)

Health and Ageing: Aged Care

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
Request that the House take immediate action to address the chronic shortage of residential aged care beds and Community Aged Care Packages (CACP) in the Hunter and Central Coast.

We further request that immediate action is taken to address the crisis in capital and recurrent funding, the crisis in wages and conditions of staff working in the aged care industry and that red tape and the current bureaucratic nightmare be resolved.

by Ms Hall (from 16 citizens)

Medicare: Belmont Office

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament.
We the undersigned request that the government re-open a Medicare Office at Belmont as there is no Medicare office between Charlestown and Lake Haven and there has been a drastic decline in the numbers of general practitioners bulkbilling.

The closure of Belmont Medicare Office by the Howard Government has caused great hardship to many local residents particularly the elderly and those with young children.

Your petitioners therefore respectfully request that the House do everything in their power to ensure that Belmont Medicare Office is reopened as a matter of urgency.

by Ms Hall (from 1,120 citizens)

Medicare Office: Lalor/Thomastown/Epping

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain residents of the State of Victoria, draws to the attention of the House, the lack of a Medicare office in Lalor/Thomastown/Epping is seriously inconveniencing the residents; Your petitioners therefore request the House insist that the Government immediately agree to establish a Medicare Office in Lalor/Thomastown/Epping.

by Mr Jenkins (from 123 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 Secker (from 5 citizens)

Military Detention: Australian Citizens
To the honourable the Speaker and Members of the House of Representatives in Parliament assembled:
The Petition of the undersigned shows:
As citizens of Australia and residents of the Federal Seat of Lyne in New South Wales, we deplore the lack of support and assistance offered to two Australian Citizens David Hicks and Mamdouh Habib by the FEDERAL COALITION GOVERNMENT.
Hicks and Habib have been held in detention at Guantanamo Bay, a U.S. Naval Base on the Island of Cuba for over two years. They have been denied their basic HUMAN RIGHTS in direct contravention of the Geneva Convention on Prisoners of War (Article 5).
Your Petitioners respectfully request the House take action immediately to assist the afore mentioned detainees to gain their release and to be repatriated to Australia.

by Mr Vaile (from 68 citizens)

Roads: Albury Wodonga Bypass
To the Honourable The Speaker and Members of the House of Representatives assembled in Parliament:
We the undersigned respectfully request the House take action to restore the Albury Wodonga external bypass and the second river crossing decision of Minister Anderson announced on 21/2/01. In May 2002 the Prime Minister came to Albury and said, “I want a solution that is satisfactory to the local community”. However the Government’s December 2002 decision went against both Albury and Wodonga Council official policies (on public record) which supported the original John Anderson decision and every survey and the Albury Council Bypass poll which have always been in favour of the External
by Mr Windsor (from 16,789 citizens)

Petitions received.

PRIVATE MEMBERS’ BUSINESS
Stateless Vietnamese People
Mrs IRWIN (Fowler) (3.07 p.m.)—I move:
That this House:
(1) notes that 1,800 stateless Vietnamese people have been stranded in the Philippines since 1989 without residency status and are therefore ineligible to work or hold any rights of citizenship;
(2) commends the Australian Government for granting humanitarian visas in the past four years to 68 stateless Vietnamese families comprising 260 people who have parents, children or siblings in Australia;
(3) notes that a further 201 stateless Vietnamese families comprising 648 people with relatives in Australia remain in the Philippines;
(4) notes that the United Kingdom and the United States of America have accepted over 300 people and have indicated a willingness to accept additional stateless Vietnamese people; and
(5) calls on the Government to consider compassionately granting humanitarian visas to the remaining stateless Vietnamese families with relatives in Australia.

Following the fall of Saigon in 1975, over half a million refugees fled by boats to neighbouring countries. In 1989, a UNHCR sponsored plan ended automatic recognition of refugee status for boat people from Vietnam. Those refugees who landed in the Philippines after 1989 faced a screening process that was at best poorly managed, if not blatantly corrupt. Demands for bribes and sex-
ual favours were widely reported. In 1996
the UNHCR closed the refugee camps in the
Philippines and withdrew support. This left
close to 2,000 people stateless and denied the
rights of citizenship, including the right to
work. Without these rights, the Vietnamese
suffer harassment from police and are the
targets of violent crime. They cannot travel,
own property or receive free education.

Following representations in 1999 from
the Vietnamese community in Australia, the
government has, under the Special Humani-
tarian Program, allowed 260 Vietnamese
boat people from the Philippines with rela-
tives in Australia to settle in Australia. And
this motion commends the government for
allowing the settlement of those families.
However, a further 201 stateless Vietnamese
families with relatives in Australia remain in
the Philippines. The Vietnamese community
in Australia has presented detailed profiles of
many of these families and has offered gen-
erous assistance for the settlement of these
families in Australia. But there have been no
indications that these families are being con-
sidered.

The United Kingdom has approved all sib-
ing cases for migration on family reunion
and exceptional compassionate grounds.
While this is a smaller number, the accep-
tance of all people with relatives in the
United Kingdom is a measure of acceptance
of responsibility for this group. The United
States and Canada have also responded to the
requests of local Vietnamese communities to
accept people with relatives in those coun-
tries.

In a letter to the legal representative of the
Vietnamese community in Australia dated
August 2002, the United Nations High
Commissioner for Refugees director for Asia
and the Pacific acknowledged that these
people are effectively stateless and described
their situation by saying ‘they remain in
limbo’. In response to the efforts of the Viet-
namese community in Australia to seek set-
tlement in third countries, the UNHCR de-
scribed these initiatives as a strong humani-
tarian gesture.

I have been provided with the details of a
number of these stateless families to give the
House some examples which illustrate the
unfair refugee assessment process in the
Philippines and the desperate situation of
these people. In one case, a man who left
Vietnam on the same boat as his brother has
been stateless in the Philippines since 1989.
The brother was given refugee status and
now lives in my electorate. Before leaving
Vietnam, he and his brother were required to
perform forced labour. He also has an aunt
and uncle in Australia, family members will-
ing to assist in his settlement here. Given his
experience in Vietnam before his departure it
is not difficult to see why he is reluctant to
return to Vietnam, even if his repatriation
was assured.

In another case where there is a sponsor-
ing relative in my electorate, a woman on her
own with two children works illegally as a
street vendor, the only way she can make a
living and feed her children. Her father was a
soldier during the war. After 1975 he was
imprisoned and the family’s land and posses-
sions were confiscated. She fled from Viet-
nam in 1990 because she was not allowed to
finish her education or work legally.

These are just a few of the 201 families
trapped in limbo in the Philippines—families
with close relatives in Australia; families
who, like the great majority of Vietnamese
boat people who have settled in Australia,
will become worthy citizens and an asset to
our country. I add my voice to the call by the
Vietnamese community in Australia for the
government to compassionately consider
granting humanitarian visas to the remaining
stateless Vietnamese families with relatives in Australia.

The SPEAKER—Is the motion seconded?

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

Mrs DRAPER (Makin) (3.12 p.m.)—I thank the House and the member for Fowler for this opportunity to speak on her motion. Australia has one of the most generous humanitarian refugee programs in the world. Over the past 50 years, over 600,000 refugees and displaced people have been resettled in Australia. We have a demonstrated record, one that is second to none, of helping people who are facing life threatening abuses. Australia also has a proud record of helping genuine refugees. We are one of only 10 countries in the world that operates a dedicated annual resettlement program and we consistently rank in the top three resettlement countries in the world. More than 155,000 people from Vietnam have been resettled in Australia since the end of the conflict in 1975. I have the pleasure of representing the many people of Vietnamese origin who live in my electorate of Makin.

Earlier this year, the then Minister for Citizenship and Multicultural Affairs, the Hon. Gary Hardgrave MP, and I met with the religious leaders of the Vietnamese Christian community in Pooraka. This community has worked hard over many years to establish a magnificent community centre and a church which has a weekly congregation of many hundreds of people. During our visit we met with the coordinator and members of the successful Work for the Dole program that was helping to upgrade facilities at the centre.

Having suffered so much in their country of origin, many Vietnamese people are making the most of the seemingly endless possibilities open to them and their families in Australia. They have earned their reputation as hard workers and good students and their contribution to the Australian community continues to grow, and is appreciated.

It is important to remember that Australia’s commitment to helping those in need does not stop at our shores. In 2004-05 we are providing $2.133 billion worth of official developmental assistance, which will benefit millions of people in different places around the world. This is an increase of almost $239 million on the 2003-04 budget figure of $1.894 billion. Australia’s commitment to improving conditions in our region includes the fight against preventable diseases. Australia’s aid program has helped to eradicate polio from the Pacific region and we have funded measles and polio immunisation for more than 1.5 million children in Papua New Guinea.

Just as our overseas aid is specifically targeted at those areas where it does the most good, our humanitarian refugee program aims to assist those who are genuine refugees in need of assistance. The people referred to in this motion have been living in the Philippines for more than 10 years. Many of them have married and had children. They have created new lives for themselves in a new country and are eligible for permanent residency. Without in any way wishing to diminish their reasons for leaving their homes in Vietnam, I point out that the UNHCR has determined that they are not in need of humanitarian protection. Australia certainly is an attractive place and there are many thousands of people all around the world who want to live here. For this reason we have set a very generous quota of refugees that we accept each year. Last year this amounted to 13,851 people: the highest number in over eight years.

Because of this demand, it is important that the humanitarian places go to those in
The greatest need—those that fall within the criteria of the UNHCR. It would be extremely unfair to reject people who are living in danger of their lives, or the lives of their many family members, in favour of others who—while their living conditions may not be ideal—are not in such danger. That is why it is important to judge each case on its merits. I am advised that that is just what the government will be doing. Each case will be judged on its merits.

Since 2001, the Australian government has, under the special humanitarian program, granted around 220 visas to Vietnamese people. We owe it to the many thousands who are waiting in refugee camps in various parts of the globe, as well as to the people who have been granted humanitarian visas and now live in Australia, to ensure that our refugee program provides assistance to genuine refugees. Nothing would be more disheartening and unfair than to deny or delay sanctuary to those who are in genuine need of sanctuary in favour of others whose needs are not as great. Judging each case on its merits is, therefore, the only fair and honourable way of dealing with this issue. I commend the minister and the government for the fair manner in which it is handling this issue.

Mr BOWEN (Prospect) (3.17 p.m.)—I am glad to be able to second the motion that has been moved by the member for Fowler. However, I do so with no sense of joy, because it is a very sad motion to have to move. It is impossible to read the cases of some of these people without being moved and saddened. These are people who are without a state or a home—and who have been without a state for a very long period, as the member for Makin just said. For over 10 years they have lived without any sense of certainty in their lives and without any nationality or home to call their own.

In 1989, 74 countries signed the UNHCR sponsored Comprehensive Plan of Action, which was designed to halt the flow of Vietnamese boat people. That had a very real implication for the people who had moved to the Philippines and who now find themselves without any chance of settling permanently in the Philippines or gaining access to countries such as Australia unless the motion by the member for Fowler is passed and the government takes on board the concerns of this community and the House through making Australia accessible to these people.

We are not talking about a huge number of people. The government has already issued visas to 68 stateless families comprising 260 people, and for this we commend the government. We are talking about a further 201 stateless Vietnamese families comprising 648 people. We are not talking about thousands of people, but this motion is extraordinarily important to those people. They are trying to raise their children in a sense of certainty and provide them with some certainty into their future—and they have absolutely no certainty.

What we are talking about is not unprecedented. So far, the United States and Canada have responded positively to their local Vietnamese communities’ requests to accept people with relatives in those countries, and the UK has approved all sibling cases for migration. We are not talking about something that has not been done overseas; this is something that the United States, Canada and the United Kingdom have taken on board.

I would like to share one example with the House. The member for Fowler raised several examples from her electorate; I would like to raise one from my electorate. In this case, a man fled from Vietnam by boat in 1991. His brother resettled in Australia as a refugee, and currently resides in my electorate. This man’s father was killed during the
war and his father-in-law died in a forced labour camp. This man seeks a new life for him and his family in a country that has offered so much opportunity to those in similarly desperate circumstances.

We commend the government for the action it has taken so far. It would be nice if this motion could be approved on a bipartisan basis by the House; however, given the contributions we have heard so far, it seems that will not be the case. These are amongst the saddest cases you could hope to read of. All these people in the Philippines seek is a new place to call home: a new nation which would be willing to provide them with citizenship and certainty. These 648 people have already been through so much. It is time to end the suffering. It is time to end the sadness. I commend this motion to the House.

Mrs MOYLAN (Pearce) (3.20 p.m.)—I am pleased to have the opportunity to speak on this motion by the member for Fowler. I thank her for bringing the matter before the House. I think it is enormously tragic that today there are still so many people who have fled from their country of origin and live in some pretty awful circumstances, without much certainty in their lives. I am deeply concerned about the impact on the many children who live in refugee camps, and how to care for people who have fled their countries. Those children are living with great uncertainty and that is very disruptive to their lives. Since the end of the Vietnam conflict in 1975, more than 155,000 Vietnamese people have successfully resettled in Australia. Australia has continued to take a very active role in responding to the plight of Indochinese refugees, including those Vietnamese in the Philippines.

In 1989 a multilateral strategy was adopted, under the leadership of the United Nations High Commissioner for Refugees, to address the outflow of Vietnamese and Lao-
Australia’s position since 2001 has been to accept a number of Vietnamese. After representations by the Vietnamese community in Australia, the former minister for immigration agreed to consider receiving, on compassionate grounds, Vietnamese in the Philippines who had close family links to Australia. Since 2001, I understand from the department that around 220 Vietnamese have been granted visas under the Special Humanitarian Program. Each year the government reviews the size and composition of the humanitarian program and considers changes in circumstances, focusing on those most in need of resettlement. While links to Australia may be an important consideration, the humanitarian program is not principally aimed at family reunion. There are a number of different factors. Australia operates a global, non-discriminatory humanitarian program and is one of the 10 countries in the world to have a dedicated annual resettlement program. Australia consistently ranks in the top three resettlement countries in the world. I think it is fair to say that there are many people requiring assistance from Australia, and the program from our department must be a balanced one.

Mr HATTON (Blaxland) (3.25 p.m.)—In government or out, any Australian political party owes a debt to the people in Vietnam on whose behalf we fought and for whom more than 550 Australian soldiers gave their lives—people and their families with whom we fought side by side in a war that by and large, through most of the time Australians were fighting there, was not supported by the Australian people. The fact that the war became a cause for political dissension within Australia does not create a condition in which any Australian political party can step aside from the fact that Vietnam has a special place when you look at the refugee question for different countries around the world. The reason for that is that we were directly involved in a war on their soil. Those Australian soldiers who served at Nui Dat and Phuoc Tuy province, and those such as the member for Cowan who were injured during that war, know just how difficult that conflict was and how long it was. Apart from occupation by Japan in 1945-46, when the latest war effectively erupted in the post-colonial period it was pursued until 1975 and Vietnam was riven from end to the other by conflict.

The people who eventually escaped from Vietnam, even if they were in detention in Vietnam for that cruel period of time, has been able to get out and rebuild a new life elsewhere. I met some just the other day in Cabra-Vale Park and here in the parliament in the last sitting week who are symptomatic of those people; including one gentleman, a former major general, who not only fought during the war but had been in a prison for 17 full years after the end of that war.

The people who are currently in the Philippines, those who were not part of the 120,000 who went back to Vietnam under the Clinton government sponsored program for finalising the exodus from Vietnam, had an apprehension that the Philippines government would open its doors to them and allow them to stay and eventually get residential status and either citizenship in the Philippines or entry to the United States. Indeed, in a letter of 23 May 2003 United States member of the House of Representatives Christopher H. Smith argued this:

He continued:
Unfortunately, the hope of these Vietnamese refugees of gaining permanent status and being allowed to live as a normal part of the Philippine society has not come to fruition.

The then commissioner of the Philippines Bureau of Immigration, Rufus Rodriguez, wrote in 1998:

The Philippines has never been and is not a resettlement country. It also has no intention of socially integrating persons whose applications for asylum/refugee status it denied in the first place.

Given these circumstances—the fact that our soldiers fought side by side with members of the Vietnamese army and more than 550 Australian soldiers lie dead and buried where they fought for the freedom of the people of Vietnam—and given that the Philippines, although indicating that they would accept Vietnamese refugees, refuse to integrate them socially and fully, resettlement countries such as the United States and Australia still owe a very special debt to these people. It is not enough for the government to say that we have a refugee and special humanitarian program. Former immigration minister Ruddock took in more than 140 people. The Vietnamese community in Australia is rightly saying there are 85 compelling cases involving 282 people, people who should be taken into Australia under the current program.

(Time expired)

Mr BARRESI (Deakin) (3.30 p.m.)—I welcome the opportunity to briefly address this House on the motion raised by the member for Fowler. I am a bit disappointed in the member for Blaxland’s principal argument—that we should be taking in the stateless Vietnamese from the Philippines because Australia owes the Vietnamese due to our participation in the war. I am not sure where the member for Blaxland was during the seventies and eighties, but I certainly recall quite vividly being here at university in Canberra when the first wave of Vietnamese refugees came in. I also recall the subsequent numbers of Vietnamese refugees who have come in and made Australia their home. We have done that on humanitarian grounds—also because of our participation in the war, but to continue that argument 30 years down the line is a little bit far-fetched.

Australia has a proud record of assisting proven refugees from war-torn areas in resettling. In particular, successive Australian governments have responded to the plight of Indochinese refugees and we have welcomed tens of thousands of displaced families into our society. You only have to go down the streets of Melbourne, Sydney or any of our capital cities to see the contribution that successive Indochinese refugees have made to our society. It should not go unnoticed that it was a federal coalition government that oversaw the sea change in Australian immigration policy from 1975. Since then, over 155,000 people from Vietnam have been successfully resettled in Australia, adding to our rich cultural diversity.

The movement of displaced people is an issue of international magnitude. Australia recognises and respects the legitimacy of the United Nations High Commissioner for Refugees, the UNHCR, who has screened displaced Vietnamese that remain in the Philippines under the comprehensive plan of action. It is imperative that Australia continues to honour the UNHCR’s determination process. We are often implored in this place to listen to the UNHCR and its reports; we are doing that right now with the comprehensive plan of action process. In doing so, we also abide by the recommendations regarding those in the Philippines.

We do not act alone in adhering to this process. Members opposite may be interested to note—and I draw the member for Prospect’s attention to this point, because he incorrectly stated that Canada is granting
visas to these people—that Canada has not accepted any of the group from the Philippines, because of the UNHCR recommendations. It is also important that the government maintains a close working relationship and partnership with the UNHCR. That being said, I am pleased that we are a leading nation in international humanitarian programs. As one of only 10 countries with a dedicated resettlement program, Australia consistently ranks in the world’s top three. This is a fact that all of us in this place should be proud of. In the 2004-05 year, Australia will increase its humanitarian intake to 13,000 new places. This represents a 50 per cent increase in the refugee category.

The Vietnamese community has lobbied the government on behalf of Vietnamese in the Philippines. The previous immigration minister, Minister Ruddock, agreed that those with close family ties in Australia should be considered under the special humanitarian program. To date, 220 Vietnamese have been granted these visas. In addition, the government will support UNHCR efforts to assist stateless Vietnamese. It is worth noting that many within this group are entitled to have their status in the Philippines regularised, as they have either a Filipino spouse or Filipino children. My understanding is that there have been attempts by the Philippines government over a number of years to regularise the status of the stateless Vietnamese in their country. At the moment, they are still waiting to hear about the progress of this effort.

Significantly, all Vietnamese in the country are eligible to return to Vietnam. It is not as if there is not a place for them to go back to—and it is not as if Vietnam is a place that one should not go back to. It is a country that has developed since the end of the war over 25 to 30 years ago. It is a country with an optimistic, emerging economy and a country which has been welcomed back into the international community.

I am running out of time, but it is important to know that the United States government intends to process each person on a case-by-case basis, according to marital links with Filipino nationals, previous applications for asylum and criminal records.

Australia’s humanitarian program respects the UNHCR’s priority regions. In South-East Asia, we have identified the Myanmarese and the Laotian Hmong as being particularly in need of assistance. While I welcome the fact that Australia may consider further stateless Vietnamese applicants, I note that the government will not discuss possible numbers, as all cases will be dealt with individually on their merits. (Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

**Autism Support Services**

Mr RANDALL (Canning) (3.36 p.m.)—I move:

That this House:

1. acknowledges the profound impact autism has on Australian families and the challenges they face in finding sufficient educational, developmental and respite services to help children and their carers with this life long disability;
2. notes that the funding of programs by the States to provide vital support to children with autism is vastly inadequate and causing unnecessary hardship and concern for their families; and
3. accepts that while the States have primary responsibility for the provision of disability support services, the Federal Government should play an active leadership role in what is a nationwide issue that affects 1 in 1,000 children born in Australia.
Recently in this House I raised the issue of a unique group of mothers in my electorate who formed a support group for mothers with autistic children. I will not revisit that issue because of time constraints. However, this motion was generated by Mrs Lynne Hearne and Dermott, her six-year-old boy with severe autism. They have prompted me to further support today in this motion greater services and understanding for autism. I have been overwhelmed by the amount of support from other members who have sent emails to my electorate office. The member for Casey, Mr Smith, is in the House today. He is very actively involved in support groups in his electorate. He has a nephew with autism, so the issue is very close to home for him, as it is for the member for Deakin. So many members have wanted to be identified with this motion. The member for Fairfax is seeking $200,000 for funding for respite care services in his electorate. The member for Solomon likewise wishes to be identified with the motion, as does the member for Maranoa. There are just so many government members who have contacted me regarding this issue, and I am sure there is the same sort of support on the other side of the House today.

The figures for children with autism that I quoted in this motion have been challenged—it is not one in 1,000. It has been put to me that it is more likely to be eight in 1,000. The extent of autism is far larger than I anticipated, and I do not profess to be at all an expert on this issue. Autism has become more prevalent over the last few years. I wish to refer to an email from Mr Bob Buckley, who is the Convenor of Autism Aspergers Advocacy Australia. He has pointed out to me that:

I also note that the current Commonwealth State and Territory Disability Agreement ... does not allow the states to use Commonwealth disability funds to provide “services with a specialist clinical focus, regardless of whether those services are provided to people eligible to receive services under this Agreement”. In this respect, the Federal Government’s policy is a significant barrier to children getting the clinical services they need for their autism, which is a clinical disorder.

I have contacted the minister’s office, and it has pointed out that this is an agreement between the states and the Commonwealth. I will be writing to the minister asking that this be addressed so that the funds can flow to the state groups. The Commonwealth could remove these barriers in consultation with the states.

There are colleagues here who will talk about the clinical side of autism. Parents face so many challenges. The children are born with a burden which they carry for their whole lives. I originally came into contact with autism when I was a teacher at a special school, and I saw just what it did to families. In terms of education for these children, there is the Hollywood view of *Rain Man*, but this is not what happens to families in my electorate today. It is a tough ask. When they try and get children into schools it is very difficult and it costs them a lot of money. I have had a rather heartfelt email from Mr Lindsay Peters of Kelmscott in my electorate, and emails from Richard Hosking, who lists himself as ‘Father of Jason’ of Southern River, and from Olwyn Searle. People within my electorate wish to be associated with this motion for greater resources and support services. What is being sought is greater and more flexible respite services, not only for the safety and wellbeing of the family but for the genuine interests of the children involved.

Of the $21 million available for this area from the Commonwealth, no funds have flowed into Western Australia. There are no
programs in Western Australia as a result of that $21 million. However, New South Wales and Queensland do have programs. I am seeking greater support from my state colleagues to allow this money to flow to these very worthy and needy desperate, disabled groups which I represent in the electorate. I know this sentiment is shared by other members in the House today, and I will be fighting hard, not only at the federal level, but lobbying my state colleagues to see that these parents get greater help and a fair go for their desperate children. (Time expired)

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

Ms HALL (Shortland) (3.42 p.m.)—I second the motion and I would like to congratulate the member for Canning on bringing this important motion to the parliament for the House to discuss. The motion acknowledges autism as a significant disability, one that has a profound and lifelong impact on the person suffering from autism, on their family and on the community as a whole. I think that it is of absolute importance that all levels of government work together to deliver services to those families and to those people. Autism actually affects 31,500 children and about 100,000 adults in Australia. So that is quite significant. In my readings I have come up with the figure that it is 10 times more common than cystic fibrosis and muscular dystrophy combined, and more common than multiple sclerosis, Down syndrome and childhood cancer. So that is the level of significance this disability has on people in our community.

The causes of autism are unknown. There is some talk that it comes from environmental factors, genetic predisposition, and that it is more likely that certain children with a genetic predisposition will end up with autism. It is four times more common in boys than it is in girls and it affects a person at a number of levels. It affects the person’s intellectual functioning but not necessarily their capabilities. The person affected has an uneven pattern of skills. It affects communication skills, and that is probably the greatest area that it has an impact on as it affects social interaction. People affected have difficulty following and understanding relationships, and that is once again linked with the communication problem. Affected people have inconsistent sensory responses and their activities and interests are restricted as is their ability to move from one activity to another; there is a rigidity in routine. As children they lack the ability to engage in imaginative play.

I was speaking to Dale from the Parliamentary Library. He has a child with autism and he gave me some information to add to this debate. I certainly hope he does not mind me mentioning his name. He pointed out that respite, education and health services are stretched in all states across the board. Autism includes a spectrum of classic and other disorders, such as Asperger’s and more severe forms of autism. In a previous life I worked with people with disabilities. Two young men in particular come to mind, one of whom was suffering from Asperger’s. He was very intelligent but his communication problems prevented him moving into and sustaining meaningful employment, a problem common to many who suffer from Asperger’s. The other young person—and I have mentioned him in the parliament before—is Troy Puttergill. He initially went to a special school for children suffering from autism and then attended a mainstream school. In later life he has become a very good swimmer and has won medals throughout the world. He has been able to develop a lot of skills and had a lot of opportunities to grow. There are a number of places where people can find assistance. In the time that is remaining I would like to point out that there
is a need for more research into autism and a need for people to have access to better and more affordable diagnosis. I also point out the importance of early intervention. I commend the motion to the House. *(Time expired)*

**Dr WASHER (Moore) (3.47 p.m.)—** I would like to thank the member for Canning for introducing this motion to the House. I fully endorse the three components of the motion. I will focus on the disease of autism in the hope of sharing some of the current medical knowledge with people interested in this problem. Autism spectrum disorders, or ASD, include not only classical autism and Asperger’s syndrome but a range of less well defined conditions—known as pervasive development disorder not otherwise specified, or PPD-NOS. All share a pattern of developmental differences, referred to as the triad of impairments—that is, difficulties in reciprocal social interaction, communication difficulty regardless of language level and a lack of flexibility of thinking and behaviour. As there are no biological markers, the diagnosis has to be based on recognising the pattern of development within this triad. This may be complex as many children have additional problems such as language difficulties and/or intellectual impairment.

The estimation of the prevalence of ASD ranges from five in 10,000 children to as high as one in 160. When the broader range of disorders that share the fundamental difficulties are included, this would make ASD the most common of the developmental disorders. Basically children with ASD have difficulty recognising or responding to social and emotional signals. Autism is generally apparent by the time a child is 2½ years old and it is four to five times more common in boys than girls. Asperger’s is probably 10 times more common in boys.

Basically, children with delayed early language development fit the criteria for autism, while those with no apparent delays fit Asperger’s syndrome. It is interesting to note that typical Asperger’s sufferers are highly intelligent, giving a false impression they can cope with everyday life. They often say, ‘It’s not that I don’t want to talk, but in social situations I don’t know what to say.’ Those who fail to meet the criteria of autism and Asperger’s but demonstrate one or more of the impairments in the triad are diagnosed as PDD-NOS.

More recently autism has been conceptualised as a different way of processing and understanding information and social cues resulting in difficulties in social interaction and communication and idiosyncratic approaches to learning. Sensory processing impairments may have characteristics including reduced eye contact; phobias, such as fear of certain objects and/or places; unusual motor movements; abnormal responses to sound; abnormal tactile responses, such as a desire to touch certain textures and to avoid others, a lack of awareness of hot or cold weather or an over- or under-response to pain; and gustatory problems, including unusual food preferences or unusual food habits such as crumbling and sniffing food.

Social reciprocity is probably impaired due to the reduced ability of sufferers to reflect upon the content of their own and others’ minds—that is, flaws in the ability to empathise with themselves and others. This may manifest as an empty gaze, a poor response to their name, a reduction in looking at faces and a deficit in directing attention. Social interactions are stressful for sufferers compared to the calm and soothing activity of being involved quietly in their own interests. This behaviour leads to problems with teachers and peers. Older autistic children often become aware that they are different and may desire some social contact but lack
the ability to achieve it. Many suffer from monotropism—the ability to focus on only one thing at a time.

Early developing and lifelong impairments in sensory processing and socioemotional responses are pivotal in autism and raise implications for practice. Educators need to consider underlying impairments in sensory and effective processing. It is important to understand that it is possible that mild autism is being overdiagnosed. The key features of a lack of contact and an absence of empathy must be present. All mild cases must be clinically reassessed on an ongoing basis. There is a wide range of different diagnoses that may be confused with ASD. Good practice management of ASD requires parental involvement and training, a multidisciplinary diagnosis and assessment to determine the child’s needs, and teaching that is individually focused on functional independence and an increased understanding of self and others. Finally, I must make it clearly understood that ASD has no connection to the measles, mumps and rubella vaccines as was once suggested. It is essential that extensive research continue to improve our understanding and management of ASD.

Ms BURKE (Chisholm) (3.52 p.m.)—Autism has a profound effect on Australian families, and I commend the motion before the House for recognising this. According to current estimates, 30,000 Australian children—one in 1,000—have autism, and the majority are boys. There has been an increase in diagnosis over the last 10 years of more than 200 per cent. Over this time, service provision has not kept up. The overwhelmed parents and families of these children face a huge emotional and financial toll trying to cope with the difficulties this condition raises. As funds to help these families diminish, the effect on families trying to cope can be devastating.

People who suffer from autism have difficulty in communicating with others. Body language, words—written and oral—and their meaning are difficult for autistic people to understand. Other people’s feelings and emotions can be incomprehensible, and interaction with others is often a traumatic experience. The world is a confusing place for the autistic person. Some cope by withdrawing or isolating themselves, while others attempt to interact with others but are unsuccessful. As a result, friendships can be very hard to come by. As each child diagnosed with autism spectrum disorder exhibits curbed development and finds it difficult to cope with day-to-day encounters, specialist support and intervention is crucial. Intensive early intervention programs have been shown to be the best way to give autistic children the skills they need to lead independent lives as adults. Studies in the UK have shown that just 10 hours a week spent in a targeted preschool class significantly increases the developmental gains of autistic children.

Additionally, early assessment by a multidisciplinary team is needed for correct diagnosis. Education programs need to be tailored to meet the needs of the child, and parents need support in the form of child care, training their children in social and living skills, and the simple opportunity to take a breather. The stress placed on families with autistic children must not be underemphasised. According to a 2001 report by the Social Policy Research Centre of the University of New South Wales, parents of autistic children face twice the risk of a marriage breakdown compared with the rest of the community. Health care professionals who deal daily with autistic children report seeing deep depression in the parents. Although doing their best in a tiring and demanding role, parents simply cannot cope with dealing
with violent or hyperactive children who may hardly sleep at night.

The pressure on families is most graphically illustrated in the tragic case of Daniela Dawes. Dawes, suffering from depression, pleaded guilty to suffocating her 10-year-old autistic son. Her estranged husband reportedly told the court that while he could never forgive his wife for what she did, he believed the tragedy could have been avoided if fully resourced government departments had provided an appropriate program for his son. For those who are unfamiliar with this case, little Jason Dawes was diagnosed as autistic at 18 months. His doctors had recommended 20 hours of early intervention a week. Jason got only three.

The community desperately needs funds to help families cope with their autistic children. Community support groups do a superb job under trying circumstances, but they need help from the federal government; and this means extra funding. It means funding the Department of Health and Ageing to plan and coordinate treatment programs so autistic children can learn the skills and behaviours that other children learn naturally and relieve the pressure on community groups and on families. Parents already make a huge effort and undergo great personal sacrifices for their children. The lack of public services means many of these families have to turn to private services. This means costs of $100 to $200 per hour for speech pathology, occupational therapy and the like—which are mostly unfunded by Medicare.

The Victorian government’s report on autism in Victoria found that two out of 10 families who have a preschool child with autism will spend more than $10,000 per year, and some will spend more than $40,000 per year. This is totally unacceptable. For those who can afford these outlays, some relief is available due to a special ruling by the Australian Taxation Office which allows the cost of these services to be claimed back through the tax system. What about those who cannot afford to pay in the first place? Where are they to turn? This is simply inequitable. Then there are the waiting lists to contend with. Assessment and diagnosis by specialist teams takes, in most states, anywhere from six to 18 months, which is simply too long. These children need intervention as early as possible. Their ability to cope during their adult lives depends upon it.

The government has initiated the National Disability Advocacy Program, which funds 76 advocacy organisations to assist people with disabilities and their families and carers. However, the autism spectrum disorder community has not been fully satisfied with this program, as many families have missed out. We need to do more now. You cannot leave these children to wait. Early intervention is the only way to go. I commend the motion to the House.

Mrs HULL (Riverina) (3.57 p.m.)—I congratulate the member for Canning for raising this significant issue. I too have brought the issue of autism into the House, last year during a grievance debate, because on seeing this issue come onto the program, we were able to disseminate the message loud and clear that this was going to be discussed today, and we have had an enormous response from parents of children who suffer from ASD. Autism is a condition that affects many families in communities right across this country. Thanks to the perseverance and determination of families with a child—or a family member—with autism, the wider community and government are finally becoming more aware of the condition and its impact.

Data from the Australian Bureau of Statistics survey of disability, ageing and carers
shows that autism rates in Australia are—as the member for Canning said—approximately eight in 1,000, which means that nearly one in every 100 people is a sufferer of autism. The autism community seeks recognition of autism spectrum disorder as a distinct disability. It is not an intellectual disability; it is a separate clinical condition that requires specific clinical attention. Only a small proportion of people with ASD have an intellectual disability. As a clinical condition, ASD requires autism-specific early intervention treatment. Experts in Australia agree that a minimum of not 10 hours but 20 hours of intensive intervention each week is required once the condition is diagnosed. In many cases, the age of diagnosis is three.

The positive outcome that is possible for a child with ASD who receives early diagnosis and early intervention is diminished when they are forced to wait for treatment. Unfortunately, we have families who are on long waiting lists for both diagnosis and early intervention. One of the concerns of the autism community is that children with ASD are entering mainstream schools; however, teachers are not trained in autism or in how to provide clinical treatments. It is important that our school systems can incorporate the needs of children with autism and involve the children in a mainstream school education. Unfortunately, the results at the completion of education indicate that seven out of eight people with autism receive the disability support pension once they reach an eligible age.

We need to be able to prepare these young people to live and work independently. The majority of these young adults do not have a physical, intellectual or health reason why they cannot participate in the work force. They just have not had access to early diagnosis and early intervention to prepare them well enough. The Wagga Wagga autism support group has recently distributed a survey, on behalf of the Autism Association of New South Wales, to families of children affected by ASD. The survey asked for feedback on the education of children with autism. An article which appeared in the Daily Advertiser on 2 December 2004 quoted spokeswoman for the group and Diana Kaletta, mother of a four-year-old daughter. Ms Kaletta hopes that autism satellite classes will be established in Wagga Wagga and surrounding towns. Ms Kaletta said:

Satellite classes are typically attached to mainstream schools and aim to give the child the skills they need to cope and participate in a mainstream class. Classes involve one teacher to between four and six pupils and also give the child access to a speech therapist and occupational therapist. Ms Kaletta said at present her daughter is behind her peers and would have a great deal of difficulty coping in a mainstream classroom environment, which is typically the only option available to children with ASD.

I would like to raise also the impact that ASD has on families. As I have mentioned in this House before, it is a strain emotionally, financially and socially. Families do an amazing job to cope, and I believe they deserve to be listened to by all levels of government.

Autism is a lonely disorder, as in many cases a child appears normal in all ways, yet when they act in a classic autistic way passers-by may judge the child and the family very critically. We need to understand and reserve our judgment on a child that presents autistic behaviour. We need to offer our hearts and our hands to those families who have a child suffering from autism. It is a problem that we as a society need to deal with as a unit.

Ms King (Ballarat) (4.02 p.m.)—I congratulate the member for Canning on highlighting the issue of autism in parliament today. As we have heard from other speakers,
estimates on the incidence of autism in Australia vary. They range from five out of every 10,000 children to 65 per 10,000 of population. The Australian Institute of Health and Welfare reports that in 1988 0.3 per cent of children under 15 had autism or a related condition. The Autism Association of NSW uses the statement, ‘Autism affects one in 100 Australians’ as an indicator of the impact of autism on all family members.

For such a prevalent disorder we hear very little about it. That is mainly because the parents of children with autism are so exhausted by grappling with a service system that does not meet their needs that thoughts of taking their concerns to parliament are not in the front of their minds. Misdiagnosis is common, but we are learning more. We are particularly learning more from people with autism themselves. I attended a talk earlier this year by Donna Williams—an inspiring woman with autism who wrote the first mainstream book on autism, Nobody Nowhere—and highly recommend her work to anyone wanting to learn more about autism. The voices of people with autism are providing us with a much better understanding of the disorder and of how they perceive the world. To quote from one of them:

I know that I am alive: I breathe, move, talk and function just like any other Human Being. However, I understand (because it has been said to me) that other people perceive me as being different to them. My difference expresses itself in various ways (egocentricity, eccentricity and emotional immaturity) but, in particular, in my uneven skill ability. Life seems to me to be like a video that I can watch, but not partake in. I sense that I live my life Behind Glass.

These are the words of Wendy Lawson, who has autism spectrum disorder. Wendy has graduated from being someone considered to have a profound disability to being a qualified social worker and trainer of people wanting to understand autism. One of the issues that people with autism spectrum disorder and their parents are grappling with is not just the lack of funding for services but the type of services available to them. As we learn more about autism it is becoming apparent that a system-centred approach to autism services is not working for many. Early intervention programs have some remarkably positive effects, but fitting children into existing models is proving to be far from ideal. We need to have a greater understanding of the difficulties faced by people with autism and their families, and a greater understanding that a ‘one size fits all’ approach to both diagnosis and service provision is not appropriate. We need to focus more attention on individual programs.

In some countries this has seen the closure of adult day centres and a greater focus on the provision of individual employment assistance. There is evidence to suggest that this type of approach is more cost effective and provides better outcomes. The Jay Nolan centre in the US, for example, rather than providing the traditional adult day centre programs, works with people to work out what they want to do with their day. It may involve taking a course, volunteering at the local library, participating in the paid work force or social activities. Accommodation is looked at in the same way, with funds being redirected away from centre based care to working with people to remain in their own homes and to access independent living. This requires us to have a very different approach to the disability support pension and to carers’ payments, and requires greater investment in employment services which understand the circumstances of people with disabilities.

Last week we again saw exposed in this House the Howard government’s plans for the disability support pension. It has again focused attention on the lack of support for disability employment programs. Last week,
the government released the interim evaluation report on a pilot program established to investigate the interest of disability support pensioners in seeking employment and their success in gaining employment. The release of the report confirmed what I think has been a huge failure. The pilot program was a positive initiative, but I fear that it is actually going to be used as an excuse to prop up the Job Network system that has been in trouble of late, rather than providing specific funding for disability specific employment services.

Disability employment services have been crying out for years that there is greater demand for their services than they can provide. Disability employment services have caps on the number of people they can assist, despite there being up to a hundred people on the waiting list, as there is in some cases in my electorate. Perhaps the government should consider supporting those who are actually providing the services as a first step.

So whilst I support the motion on autism, it is about time the federal government also took its responsibilities for the provision of income support and employment services seriously. It is all very well to move motions in this place calling for more state assistance, but you cannot do so without also speaking out against the regressive steps this government is about to take by narrowing eligibility for the disability support pension, and by its failure to adequately fund the Commonwealth-state disability agreement as well as disability specific employment services.

The DEPUTY SPEAKER (Mr Jenkins)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

GRIEVANCE DEBATE

Question proposed:
That grievances be noted.
evidence that might be obtained through such a process would not be used in a military commission process.

With Mr Ruddock wanting to try to duck and weave on the way you interpret torture in these circumstances, it seems to me that he is giving the appearance of condoning or, indeed, even encouraging such techniques being used by countries who detain citizens in order to get evidence to convict people. To be frank, I have been astounded and it has almost made my stomach turn that there was no anger from the Attorney about these reports; there was no concern expressed at these sorts of methods that we fight so hard against when members opposite and on this side of the House talk about the regime that used to exist in Iraq and the methods used by al-Qaeda and others. To even countenance that a Western nation like ours or the US might support or condone in some way the use of evidence obtained through torture I think is extraordinary. It is really quite a distressing situation for us to be in.

With the detention of people in Guantanamo Bay, we have seen an almost seeping concession step by step. The government month after month says, ‘Oh yes, we knew that was going to happen; we knew they weren’t going to get a fair trial, but that’s not a problem. We knew that this evidence was going to be used and that there would be suggestions of torture.’ We have not seen a single objection come from our government, in the way that many other countries around the world have objected to the process that the United States is using. Not only that, but the Attorney’s statements yesterday directly contradict statements made more than 18 months ago by the Prime Minister. The Prime Minister was quoted in the Daily Telegraph as saying:

I am satisfied on the information that I have, if any Australians are tried ... all of the things that are basic to the judicial system as we understand it will be applied ...

I am going to come back to this because I think it was patently wrong then and it still is wrong now, but let us first compare it to the Attorney’s comments yesterday. The Attorney clearly acknowledged that evidence obtained through torture is not an accepted part of civilian trials, yet he states that it is acceptable in military commissions. The Attorney said:

We’ve always known that that was the approach in the military trial arrangements.

Mr Ruddock, the Attorney, might now want to say it was always known, but he certainly kept it from the public and he obviously did not mention it to the Prime Minister when the Prime Minister was making statements about ordinary standards of criminal justice applying.

The truth is that basic standards have never applied to the set-up at Guantanamo Bay and it is a direct lie to suggest otherwise. The Prime Minister has never had any grounds to say that the ordinary rules of criminal justice would apply to the US military commission for David Hicks; that is, unless the Prime Minister thinks that the ordinary rules of criminal justice include the fact that in this case the military is the prosecutor, judge and jury; only one of the panel of judges is legally qualified; the rules of evidence do not apply; the only right of appeal is to the US President; and—the icing on the cake—even if a person going through this process is acquitted, they will not necessarily be released from detention. But, other than that, the Prime Minister thinks that the normal standards of criminal justice will apply. Now add to this that evidence obtained by torture or through a process where torture is used as part of an interrogation method is apparently also going to be acceptable in this government’s view.
I think it is really a shameful place for Australia to have arrived at when the Attorney is not prepared to make any statement about these allegations. Look at this in contrast to the comments of the Attorney-General of the UK, Lord Goldsmith, who says that some measures are not open to governments. He says that certain rights—for example, protection from torture—are simply non-negotiable. But for some reason our Attorney-General and our Prime Minister cannot say that. The government needs to be much stronger on these issues. Torture is a black-and-white issue. It is wrong and it is immoral, and the government should be able to say so. If we in Australia accept that torture can be used or allegations can go unquestioned that torture is being used in the US, what influence can we have in other forums in arguing for adherence to human rights standards from other countries, whether they be in our region or elsewhere?

I am concerned that time and time again on this whole issue of people being held in Guantanamo Bay our Attorney has been very loose with the truth. He has ducked and weaved every time an issue has been raised. Let me put on record that we are not concerned about this issue because we believe that people should not face criminal justice. If people have been involved in terrorist activities or in any criminal activities, we believe as strongly as any other Australian that they should face charges and they should answer those charges and, if guilty, they should be convicted and serve their time as is appropriate. But we do not think there should be some sort of half-cocked system that does not give anybody any confidence in the decision that will be made at the end of the process.

I do not believe it is appropriate behaviour for our Attorney to simply dismiss out of hand, as he has done time and time again, reports and allegations that are raised. He dismissed without any substantive response a report from the Law Council’s independent observer, Lex Lasry, saying that it revealed nothing new, despite the damning finding in that report that a fair trial was virtually impossible under the military commission process. He has dismissed recent US court decisions for other Guantanamo Bay detainees, declaring that they simply have no precedent value. He has ignored allegations made by the Red Cross, which have been reported in the New York Times, that they believe some of the conduct of the US military at Guantanamo Bay was tantamount to torture. Because we do not have a copy of it, the Attorney and the Prime Minister do not believe it is worth asking any questions of this close ally of ours. There always seems to be a reason for the Attorney to ignore things but never a reason to take any action. The Labor Party believes it is time for Australia to call it quits and admit that the detention in Guantanamo Bay and the military commission process are unfair, wrong, unjust and most likely unlawful. It is time for Australia to demand a more appropriate process and better protection for its own citizens. Every other country has done it, and we should not be afraid to do so.

On the particular point that Mr Ruddock raised yesterday, I think he stretched the truth to breaking point by suggesting that evidence obtained by torture was routinely accepted in international tribunals and it would be simply a matter of how much weight would be given to the evidence if it had been obtained inappropriately. In fact, such use would be an extraordinary exception. In the short time I have had available, I have not been able to find any expert, academic or lawyer who agrees with the Attorney’s assertion. It would be contrary to commitments Australia and the US made when we signed the convention against torture, which explicitly says that such material
should not be used in any proceedings. In fact, if such conduct had occurred at the hands of the United States, it would also be in breach of specific articles of that convention that require the use of torture to be made a criminal offence and interrogation methods to be assessed to ensure that such methods are not being used. It is time to take action, and the Attorney should do it now. (Time expired)

Banking: Refund Home Loans

Mr JOHNSON (Ryan) (4.17 p.m.)—I want to speak in the parliament today on a very disturbing relationship that exists between four of the biggest banks in this country and a small business operator, Mr Wayne Ormond, whose mortgage broking business is located in the suburb of Bardon in my federal seat of Ryan. The four banks in question are Westpac, the Commonwealth Bank, St George Bank and, regrettably, my own bank, ANZ. I should state at the outset that no other bank in Queensland has any issue in dealing on a mutually beneficial commercial basis with Refund Home Loans. These banks include the likes of NAB, Suncorp, HSBC, BankWest, Heritage and Bendigo Bank. It is only ANZ, St George, Westpac and the Commonwealth Bank that seem to have some difficulty in having a commercial relationship with Refund Home Loans.

Launched in May this year, Mr Ormond’s company is called Refund Home Loans. As the name implies, its clear and unambiguous policy is to refund to borrowers 50 per cent of the commissions received from lenders such as the banks. To give an example, in the case of a home costing $300,000 this could bring a refund of $1,000 to the borrower—a very handy sum indeed for someone moving into a new home. So far, Refund Home Loans has returned to its customers over $100,000 of commissions. It also donates to significant charities—one them being the Hear and Say Centre in my electorate of Ryan.

Refund Home Loans had secured all the approvals necessary to do business with lending bodies—all of whom had been made aware of the company’s business plan—and had a lending parcel of 26 organisations. However, within days of the company’s very successful launch three of its lending banks—the ANZ, St George and Westpac—withdraw their accreditation agreements to lend. When asked the reason for their action by media writers, all claimed somewhat mischievously that Refund was not fully accredited to utilise their services. The Commonwealth Bank somewhat astutely waited for a little while longer before it too pulled out of its commercial dealings with Refund.

It is important to recap that the other banks in Queensland that I have mentioned have no issue at all in dealing with Refund; it is only ANZ, St George and Westpac that seem to have some problem. When these banks were confronted by Refund about why they were withdrawing their accreditation, they came up with all kinds of unsustainable answers, including an alleged lack of skill and competence among Refund staff. Of course, as soon as the accreditation documents were presented, surprise, surprise, the banks changed their tune to claim that Refund’s business model did not fit their criteria—notwithstanding the fact that the banks had been briefed on the model prior to giving their accreditations in the first place! I have emails from those banks which confirm Refund’s accreditation. However, when asked by the company, all three banks categorically denied that the company’s business model of refunding money had anything to do with their decision. They also stated that they did not want Refund Home Loans giving away the banks’ money. The reality in this regard is that the money had been earned by Refund as commissions, and it should be Refund’s to
do with it as it will. As far as I can see, these commissions were just that—commissions. The money did not belong to the banks at all. It was not for them to dictate who should receive this sum of money.

Being a relatively small and young company, Refund had two choices: essentially to fold under the threats of some of this country’s biggest banks or to fight back against this injustice. It was a true David and Goliath situation. The man behind Refund Home Loans, Mr Wayne Ormond, decided to act against what appears to be a case of commercial intimidation and very bravely took this decision to the ACCC. He made contact with the ACCC, and Mr Graeme Samuel on occasions called him personally to inquire about the situation. I understand that the ACCC are keen to explore the matter further, and I certainly will be encouraging them to do this.

An interesting point I want to make in relation to this very regrettable state of affairs is that the peak body which claims to represent and watch out for the brokerage industry has been strangely silent. From what I can gather, the Mortgage Industry Association of Australia has not provided assistance or shown even a remote interest in the position of Refund Home Loans in this matter. The more I examine this matter, the more I discover that the four banks in question which have withdrawn their accreditation of Refund Home Loans should have the full weight of the Trade Practices Act and the ACCC thrown at them. I certainly intend to monitor the banks’ response very carefully. Commercially, their customers should be hitting the phones and demanding that they reconsider their position. As I have said, I am a customer of ANZ, and I find the policy of ANZ in relation to this matter an absolute disgrace. They are shutting me out of the option, should I elect to do so, of dealing with a company like Refund and getting a cash refund of 50 per cent of the commission. For many Australians, this could amount to a substantial sum of money.

Interestingly, corporate records show that several of the bigger brokers have one or more of the major banks as shareholders. I am told that a leading mortgage industry publication and two leading journalists specialising in the home loan market have stated that they received a number of approaches from brokers which, from what I am told, included very obvious threats against Refund. From what I have heard, it is almost as if the workplace is not an office but the Australian waterfront. This would appear to suggest that the brokers, their supporters and, in some cases, shareholders have got together in an attempt to squeeze this newcomer out of their so-called market. I intend to explore this matter further with Refund and to get more specific details because, if this is true, it smacks of an untenable degree of banking collusion.

What is very troubling to me is the extent to which the three major banks were apparently prepared to go to discredit Refund. In interviews with Channel 7’s Today Tonight program, the two senior managers from St George Bank and ANZ Bank both admitted that they ceased their bank’s relationship with Refund for no other reason than that the company gave refunds. I have not mentioned the names of these two senior managers so as to protect their privacy. One of them has left ANZ to work for another financial organisation that has links to ANZ. I invite the banks to contact me to acknowledge that those statements were actually made. I should say again in the parliament that these conversations were recorded on television, so there is really nowhere to hide—I look forward to hearing from them.

But the saga goes on. These banks not only tried to pressure Refund directly but
also apparently targeted other companies associated with Refund. A company such as Refund has to have what is called an ‘aggregator’ to enable it to operate. The ACCC has statements from Mr Cameron Clements, Managing Director of Refund’s aggregator, FastTrack, testifying that the senior managers from St George and ANZ had threatened him that unless his company stopped servicing Refund the two banks would terminate their commercial dealings with him. As the managing director of a small company, quite obviously Mr Clements had no option but to cave in to these intimidating threats.

So what do consumers think of this model for home loans? If consumer response is to be judged on the number of calls received from the community, then there is a great deal of interest from the community in the Refund model. The first announcement from the company caused widespread interest. When the story of the banks’ action first appeared on Channel 7’s Today Tonight program on 31 May 2004, the company logged thousands of calls. The story was replayed on Today Tonight on 24 June 2004, such was the community’s interest. If that was not enough, the show Brisbane Extra aired a story on 28 July 2004, bringing to the community’s attention the kinds of home loan options that could be available to them.

The interest I take in this matter arises from my concern that four big players in the home loan industry could be depriving Australians of a full choice in their home loan decision making. It seems to me that the consumer is being short-changed in a totally unacceptable way. The public interest test certainly needs to be put to work by the ACCC and all those concerned with consumer choice and options. This is, conservatively put, a $100 billion industry—and, not surprisingly, some of the bigger players are seeking to protect their market. Let me inform the four big banks which have withdrawn their accreditation from Refund that I met this morning with Mr John Martin, Small Business Commissioner from the ACCC. I look forward to working with him and the ACCC to continue exploring this matter.

In conclusion, I call on the four banks in question to reassess their position on their accreditation policies with Refund. What I have raised in the parliament appears to be a shocking practice of heavy-handed intimidation by these banks against Mr Ormond’s company, Refund Home Loans. I hope that these banks can show some true green and gold Australian spirit of fairness and equity and revisit their policies so that the consumers of this country, particularly in my home state of Queensland, have a greater opportunity to consider the best options for their home loan policies. (Time expired)

Electorates: Grant Applications

Mr BRENDAN O’CONNOR (Gorton) (4.28 p.m.)—I rise to draw the House’s attention to my concerns regarding the very suspect funding some electorates receive, in that they are in receipt of far greater sums of Commonwealth money than other electorates. We understand that there will always be some variation because needs vary across the nation, but it is becoming increasingly apparent that some grant applications have been granted for other than needs based reasons. I think it is fair to say that one of the reasons a government is required to properly process applications is to ensure that there is no perception of a conflict of interest. Indeed, it is also to ensure that executive decisions are not partisan or self-serving and that a government is not seeking to gain electoral advantage by spending Commonwealth monies in an electorate it is looking to win or keep as it goes into an election campaign.

We have recently witnessed some questioning as to whether a minister of the Crown
has properly processed applications or fast-tracked applications. There have been some questions in the media about whether the fast-tracking of an application for a grant by A2 Dairy Marketers was proper. It is fair to say that concerns about that process have been raised by members in this place and by media commentators.

It is also fair to say that the allegation of pork-barrelling, or targeting marginal seats, is not new. Indeed, questions have been raised about the behaviour of governments of all political persuasions in this regard, and it would be churlish—indeed, naive—to say otherwise. But it really must stop, because it is becoming increasingly difficult for communities that are in need of Commonwealth support to get what is owed to them. We now focus on the marginals rather than the marginalised. We have to realise that if we do not start to afford citizens the resources they require then the democracy we operate under will be in question. People are continually questioning the way politicians behave. One of the reasons they do that is that they are now very cynical about the way incumbent governments use the resources of the Commonwealth for their own personal or political gain rather than for those they allegedly represent.

We know there are major problems with this government’s grant applications. You only have to look at the top 10 electorates that received Regional Partnerships grants to know there is something amiss. It cannot be the case that Bass, New England, Dawson, Hinkler, O’Connor, Kennedy, Kalgoorlie, Lingiari, Maranoa and Capricornia just happen to be the 10 most needy electorates in terms of Regional Partnerships. We are also aware that the electorate of Wentworth received a $221,000 grant for Bondi Beach. I did not realise that was a regional area, and I find it an outlandish suggestion by the government that it is. Clearly the citizens of this country realise that the government are currently operating on the basis of what is in their interests rather than what is in the citizens’ interests.

Whilst we know there are many marginal seats—up to 20 per cent of seats may be marginal—the majority are perhaps not seen in that light; the majority do not fit within a two to three per cent margin either way. It so happens that my seat is one of them and, in that sense, is in the majority. But my electorate does have enormous needs, as I am sure does yours, Mr Deputy Speaker Causley. As I have said in this place before, my electorate is in the western suburbs of Melbourne but in some respects it shares some of the difficulties confronted by those in regional Australia in terms of the lack of resources it enjoys and the support it requires just to have equal access to employment and educational opportunities.

It is about time the government was put under the microscope in relation to these matters. I think it is fair to say that the media has performed some role in bringing these things to light, but it seems to me that the media and other parties in the political process have to play a stronger role to ensure that governments do not continue to misuse Commonwealth revenue—taxpayers’ money—for political advantage. These are things that I think need to be properly examined and rectified.

The 10 electorates that I mentioned are not the only electorates that have difficulties. As I have indicated before in this place, there are two major transport spines in my electorate: the Western Highway—the Ballarat Road—and the Calder Freeway. There has been a record of serious traffic accidents along the Calder Freeway at Taylors Lakes, at the intersections with Sunshine Avenue, Robertson’s Road and Calder Park Drive. I am aware that the Victorian government have
for some time proposed constructing several interchanges along this section of the freeway at Sunshine Avenue, Kings Road and the Calder Park Drive. Indeed, they have been willing to match the Commonwealth by providing 50 per cent of the estimated total cost of $60 million to allow construction of the proposed interchanges.

I can assure you, Mr Deputy Speaker, that I am not alone in grieving for the fatalities that occur at those intersections. In light of the so-called rorts that are going on with grant applications, I am sick and tired of realising that my electorate, along with many others, is not being afforded the proper support it requires, whether it be in education, employment or, as in this case, transport. They are things we would like to see rectified. In particular, we would ultimately like to see Robertsons Road, a very small road that intersects with the Calder Freeway, closed. There have been fatalities at that intersection. A temporary guard has now been placed across the right turn into the Calder Freeway to prevent people from trying to cut across the freeway. But that is not enough. That road ultimately has to be closed. We also want to see the extension of the Kings Road connecting with the Calder Freeway, which has now been in the pipeline for many years, and the construction of the Deer Park bypass, another piece of transport infrastructure which is seen by the RACV and others in Victoria as a priority but which has been entirely ignored by this government and by the Minister for Transport and Regional Services.

We would also like to see an overpass at Calder Park Drive, which is another suggested improvement for the community. This will make it a lot easier for people living in Taylors Lakes, Hillside and even Caroline Springs to get off and on a major freeway. It is the Commonwealth’s responsibility to resolve the issue of these overpasses, many of which have been in the pipeline for some time. The Bracks government has committed to meeting 50 per cent of the cost of fixing these very important roads. It is now incumbent upon the government to accept that it has a responsibility to improve this freeway and its intersections and to start looking after some of these communities which may not be in marginal seats but which are marginalised. Once the government starts doing that, there might be some respect afforded to it by the citizens of my electorate and beyond. (Time expired)

Road Funding
Parliamentary Privilege
Workplace Relations: Union Fees
Western Sydney: Election Results

Miss Jackie Kell y (Lindsay) (4.37 p.m.)—In response to a few comments made by the previous speaker in the grievance debate, I would like to point out that most of the country electorates which the member for Gorton spoke about have a substantially larger road network to population than other electorates. My state of New South Wales receives enormous revenue from excise levies on fuel. My electorate does not see much of that returned to it by the government of New South Wales compared to the level of road funding that metropolitan Queensland—where there are no state levies—receives. I think he needs to talk to his state colleagues about road funding rather than complaining about the exemplary job that our minister, the Deputy Prime Minister, has done in the transport portfolio.

There are a couple of things I would like to talk about this afternoon. My ongoing interest in Lindsay’s markets has continued since the election. I go to the markets every Wednesday I can. One of the things that was raised with me by one of my constituents was parliamentary privilege and the exercise of it. Since Independent MP Tony Windsor
claimed that the Deputy Prime Minister, John Anderson, had bribed him to retire from his seat in May, the parliament and the media have been consumed with the allegations. But since the announcement in this chamber nobody has backed up the member’s version of events. In fact, the opposite has happened.

The Deputy Prime Minister flatly denied the allegations, the Tamworth businessman who Mr Windsor claimed did the Deputy Prime Minister’s dirty work issued a statement rejecting the claims and, most tellingly, the Australian Federal Police did not decide to lay any charges. That was because the member had no evidence to back up his claim that the Deputy Prime Minister bribed him to give up his seat.

That brings me to the validity of parliamentary privilege. Should it be used when there is no evidence to back up the claim? Here we have a situation where, for personal gain or electoral benefit, members can defame people and there is no recourse for the member so defamed. We need to look at the basis for privilege. It is not just the Independent member: members from all sides of the House and those in the Senate have used parliamentary privilege to sling mud about—and particularly to sling mud at their parliamentary colleagues. If you look at the history of parliamentary privilege, the most spectacular use of parliamentary privilege to date has been to sling mud at parliamentary colleagues for political gain. Slurs that seriously undermine reputations, cause an immense amount of concern within the community or leave unanswered questions should be excised from parliamentary privilege.

I am not saying that there is no place for parliamentary privilege in the House. However, members who have the privilege of bringing forward claims need to do it on behalf of constituents. It should be that it is the constituents who have parliamentary privilege, rather than the members. There are a number of members who have achieved results for a constituent because, unlike the person they are representing, they have freedom from prosecution. And that is what parliamentary privilege should be used for: for the advancement of constituents, not for personal grudges or electoral gain. Parliamentary privilege is just what it says: a privilege for a very few people, and not one to be taken lightly. Therefore, it must be used responsibly.

I would also like to talk about compulsory union membership, especially for employees at Australia Post. Compulsory union membership, as we have long advocated, is an outdated notion. This is a new millennium. We have a Liberal government in Australia and compulsory union membership is the antithesis of our philosophy. We are committed to freedom of association, and the principle of freedom of association is that employees should have the right to choose to join or not join an industrial association. That right should be recognised.

Having your employer compulsorily acquire part of your wage to give to an organisation where you have no right of refusal is wrong. It is fundamentally different to what we believe. I believe that we are living in a country with a very democratic government. We elect members of our government based on how they are going to spend our money. The government represents the majority of the people and hopes to serve those who did not vote for it as well as those who did.

The question is: what are unions representing? It is no secret that unions align themselves with the Labor Party. What is interesting is that the members of these unions are switching off Labor. In fact, a number of the surveys post the election show that up to 30 per cent of union members voted for our side of politics—and especially those in
my electorate on high incomes and with investment housing who experienced the high interest rates under the last Labor government. Why then is a federal organisation such as Australia Post compulsorily acquiring union dues for the CPSU? There clearly needs to be some amendment to legislation or the Australia Post administration or management should be forced to have a look at the advances we have made in employee-employer relationships. Australia Post should be guided by the will of the government of the day.

I would also like to draw attention to the situation in Western Sydney. The Labor Party have long held the view that Western Sydney is a safe area for them and that those in various unions could build their power bases and nurse their own political ambitions from there. A safe seat in the Labor Party was always the major prize. However, the last election saw the election of Louise Markus as the member for Greenway. The seat had been held for eight years by former union official and President of the New South Wales Labor Council, Frank Mossfield, who had hoped to hand it on to another union hack. It appears that voters are wising up to the connections between unions and the Labor Party, and they do not like it.

The people voted for someone who would represent them—not the interests of a union—who looks for the best for the people of Blacktown and her area, who understands their aspirations and who is willing to fight for them. We are seeing a small revolution right across Western Sydney, where there is a turn away from unionism towards more representative government. A key part of that was recognised in our election platform by the Minister for Education, Science and Training, Brendan Nelson, through the development of 24 technical colleges across Australia, including one in Western Sydney.

One of the biggest complaints I get from businesses is the lack of apprentices. There has been a huge emphasis on kids going to university. It is always great for kids to get into university, but it should not be at the expense of the trades. I have a large constituency of people with various trade skills in high demand right across Western Sydney. These families have aspirations for their kids to enter the father’s employment. The kids have exposure to it, they have experience of it and they have grounding in small business. This technical college, which will be sited somewhere in Western Sydney, will enable students to complete years 11 and 12 maths, English, science and information technology components and also start a school based apprenticeship which leads to a nationally recognised qualification. My electorate and the neighbouring electorate of Chifley have the most number of babies being born anywhere in Australia. My hospitals have over 3,000 births per annum. That makes this the ideal area to set up a future training institution for our children.

In my electorate there has already been strong interest expressed for a technical college. I am already working with local businesses like Hix Electrical Services, Da-Mell Air Conditioning and Heating, and Superwik Hot Water and Plumbing, and urging more to join our bid for the Western Sydney Technical College to be established in my electorate. We are also working with other training institutions to move this proposal forward. We should be moving forward to see a large number of areas where labour shortages have been identified, such as electricians, plumbers, airconditioning, panel beaters, builders, chefs, hairdressers, pastry chefs and many more being filled. (Time expired)

Scullin Electorate: Funding

Mr JENKINS (Scullin) (4.47 p.m.)—Today I wish to grieve for the powerless state
of the principles that underpin—in our modern political system—the development of good public policy. I grieve that election campaigns are now well and truly dominated by good politics over good policy. I grieve that, in the development of public policy, politics dictates that things are made in the short term rather than in the longer term. I grieve that it appears that with government grants and programs there is an inverse relationship between the availability of funds and the size of the winning electorate. Also, I grieve about how, in modern politics, the backbench cowers in such a great way to the executive. Forgive me if I think you are having a wry smile, Mr Deputy Speaker, because that happens on both sides of politics.

As you have been subjected to the speech of my colleague the member for Gorton, I wish to indicate to you that he and I have not liaised about the background to our speeches tonight. There is a great concern that, in the way government programs are set up, there appears to be a focus, in an inverse way, on the size of an electorate’s margin. In worse cases, where programs are deliberately set up that way, we are now finding that we should forget about having an element of transparency about their being set up that way. The figures the member for Gorton quoted as being set down for the regional partnership grants are mind boggling. Electorates can get tens of millions of dollars under one program—and I acknowledge that it is skewed as a regional program. At the end of the election campaign we tried to follow up on the promises that had been made for the electorate of Scullin over all the government portfolios and came up with the princely sum of $50,000 for an after-hours GP clinic at the Northern Hospital.

I was interested in the answer that the Minister for Health and Ageing gave at question time today about the after-hours clinic promised for Tweed. He obviously was not across the detail, and gave some loose detail about the program. In some cases the Commonwealth contribution is up to $200,000 and in other cases it is up to $50,000. I have placed some questions on the Notice Paper to clarify the case with the Northern Hospital in Epping, because I think if we are lucky we will get $50,000 but, regrettably, I think it is on a one-off basis.

The after-hour clinic at the Northern Hospital in Epping is the busiest accident and emergency centre of any of the Melbourne metropolitan hospitals. Well over 60 per cent of the cases that front at that accident and emergency centre are triage classified category 4 and 5. This means that they could have been looked after by a general practitioner. That is the established need of the program. The state government, 15 to 18 months ago, built a purpose-built clinic at a cost of over $620,000. Hopefully we will eventually see this clinic staffed in February next year.

The contribution is to be a measly $50,000 when in fact some couple of years ago the Commonwealth had given in the order of $20,000 or $30,000 for a study for the Division of General Practice to look at what was required to put in place a clinic. At that time the Commonwealth contribution on a yearly basis that was being sought was in the order of $220,000. Even if that is an ambit claim, even if that is the most optimistic expectation, it was what was going to be required year in year out for the community that I represent. Interestingly enough, this hospital also caters for the community that the honourable member for McEwen represents. We are going to get this one-off payment.

There are lots of other problems that confront us. The member for Gorton was talking about the road networks in his electorate. His electorate is very similar to mine, with a similar two-party preferred margin for Labor
and a similar primary vote for Labor. We are the No. 1 and No. 2 electorates in Victoria for the primary vote for Labor. These are both electorates on the outer urban fringe of Melbourne. If you look at my electorate, you can see that the road network is clogged because of the growth. One local council a couple of weeks ago had six planning proposals before it in the township of Mernda, which is actually beyond Scullin, in the electorate of McEwen. On the one night the council gave approval for 6,500 residential lots. This is an additional population of 25,000. The way the development has been going on, unless there is a huge downturn in the economy this will be something we will see over the next four or five years. It is at the end of Plenty Road, which at peak times is simply a car park—people just take so long to move out of the suburbs that they reside in before they even get under way to go to their places of work. We have been looking at it on a local level to ensure that we have as many local job opportunities as possible so that the distance that people have to travel is not as great. Secondly, we need to try to find ways to get over the hurdle of the inability of the state government to fund expansions of the rail part of the public transport network.

That is why the honourable member for Throsby and I enjoyed our work during the last parliament on the Environment and Heritage Committee, looking at sustainable cities and the way the federal government can be involved in these things. The reason that I want to be involved in the production of those sorts of policies is that they are not only to cater for problems that we see here and now. If done properly, these have a long-term vision, because we try to get it right right from the start. Regrettably, as I said, too often we see, if I can be crude about it, the short-term buying of votes at election time, but now we see that more often through the three-year cycle. I think that is the great problem that we have. I visited the member for Gippsland’s electorate between the election and the resumption of the parliament and went to a little town called Meetung. The member was able to announce during the election campaign that there was to be a $500,000 grant for a boardwalk under the Roads to Recovery strategic fund. I will be interested to know what that strategic part means. This was a boardwalk. I have a question on notice to try and find what the real details of this are.

I emphasise that I am not arguing that for the tourism economy of that community this boardwalk is not required. Any pedestrian walking along this road has no footpath and has no safe haven. This is going to be something which is very important to that township. But what are the details? How is it that these things can arise during an election campaign and then a month or so after the election campaign there is still no detail about the way it is going to be put in place? These are the types of things that we really need to get cleared up. We have to make sure that the way in which public policy is developed and the distribution of public moneys is made is aboveboard and transparent. It should not be that safe seats, as the member for Gorton said, miss out, because the needs are genuine and just as great.

It really upsets me that the only thing that I can ever say in the run-up to an election campaign is that, whilst mine is a safe seat, I know that I have got more opportunity of getting additional funding out of a Labor government than a Liberal government. Even my Liberal opponent said on the Sunday after the election that seats like Scullin were ignored by coalition governments. That should not be the case. Nobody should be in a position where the way in which public policy is developed is strictly about politics. We really should be looking at a system of
government that is for all and that looks at
the needs of and develops solutions for all.
(Time expired)

Cook Electorate: Kurnell Peninsula

Mr BAIRD (Cook) (4.57 p.m.)—I rise to
speak on a matter of great significance to the
people of southern Sydney: the protection of
Australia’s birthplace at Kurnell. The issue
of the protection of Kurnell Peninsula is also
a matter of concern for residents in greater
Sydney and indeed Australia wide. Within
the seat of Cook we are lucky enough to
have the Kurnell Peninsula. Kurnell was the
first landfall by Lieutenant James Cook and
the Endeavour on the Australian continent.
On that basis it is widely regarded as the
birthplace of modern Australia. It was here
that Banks and Solander collected the first
flora and fauna specimens and it was here
that the momentous meeting of Indigenous
and European cultures first occurred. To
paraphrase the words of Shane Williams, a
representative of the local Dharawal Indige-
nous tribe, Kurnell was the site of the first
Indigenous resistance and therefore has a
great resonance and importance to Indige-
nous Australians nationwide. Kurnell was
also the site of the first landfall by Captain
Arthur Phillip and the First Fleet in 1788. It
is featured widely in the memories of many
Sydney residents.

It would therefore be an understandable
shock to members present to learn that this
area is under continued threat. Kurnell has
been heavily exploited over the last hundred
years both for heavy industrial uses and the
extraction of sand to supply the construction
industry in New South Wales. During my
ongoing campaign to have Kurnell protected
and conserved I have been overwhelmed by
the number of letters I have received from
residents Sydney wide who have written to
tell me about their memories as children of
sliding down the once towering dunes on a
piece of tin or cardboard, as I did when I was
a child. In fact, on Friday last I was inter-
viewed for the Today program on Channel 9
on this very issue and the reporter conduct-
ing the interview had his own memories of
travelling to Kurnell on family outings and
tobogganing down the beautiful and striking
sand dunes built up over tens of thousands of
years.

Unfortunately, there are now next to no
dunes left, as they have been converted
through strip mining into ponds and lakes
described by environmentalists as being 40
metres deep and by mining companies as
being between 12 and 20 metres deep. It
might interest the House to also note that the
Kurnell sand hills featured heavily in iconic
Australian films such as 40,000 Horsemen,
Mad Max and Puberty Blues. They have
been a backdrop to some of the films which
are recognised as of great importance and
heritage value to our nation. As construction
has boomed in New South Wales, the de-
mand for sand has grown to the point where
more than 25,000 tonnes of sand are stripped
from the fragile neck of the Kurnell Penin-
sula each and every week.

Residents in my electorate have been
deeply concerned over this senseless destruc-
tion for many years but, unfortunately, suc-
cessive state governments from both sides of
the fence have procrastinated over this issue.
The local Gweagal people, a clan of the
Dharawal people, are also deeply concerned
over the continued removal of the sand. The
Gweagal are a salt water people who buried
their elders in the sand hills to face the ocean
and the clan’s totem, the humpback whale.
Sadly, much of the rich heritage of the
Gweagal, the same people who met Cook on
his landing, has been turned into bricks and
mortar.

Due to the peninsula’s great value to the
community and the nation, I sought protec-
tion for it under the government’s Environment Protection and Biodiversity Conservation Act in May of this year, presenting the nomination to the former Minister for the Environment and Heritage, Dr David Kemp, at a ceremony at Cook’s landing place. During August of this year, I became aware that Rocla Quarries Ltd, one of the largest sand-mining companies on the peninsula, was preparing to resubmit its application to mine a new site on the peninsula. On this basis, I applied to the new Minister for the Environment and Heritage, Senator Ian Campbell, for emergency protection over Kurnell under section 324F of the environment protection act. I would like to pay tribute to Senator Campbell and his department for their foresight and genuine concern over this valuable piece of our nation’s history. Senator Campbell gazetted this, the first ever area protected under section 324F, on 20 September of this year.

I now wish to advise the House that Rocla Quarries has submitted its application to strip mine Kurnell, submitting it to the NSW government on 19 November. It is interesting to note that the original application by Rocla was withdrawn from the NSW government just a few months before the last NSW election, no doubt to the great relief of the marginal Labor member for Miranda, Barry Collier. I think that Mr Collier is aware of the strength of feeling in the Sutherland shire against any further exploitation of Kurnell, even if his government is not.

Unfortunately for Kurnell, however, Rocla—either by design or omission—never retracted its original application from the federal government Department of the Environment and Heritage. Due to the prospective nature of legislation, this means that the 324F protection granted in September 2004 will have no effect on the application. Thanks to Rocla’s expert legal advisors, it stopped the clock in 2002, waiting until the political pressure was off the NSW government after the 2003 election before it resubmitted its extraction plan.

This does not mean that the fight is over. I have become aware of another method by which the Commonwealth may be able to stop Rocla and the NSW government in their tracks. I have recently facilitated meetings with prominent academics, scientists and historians who will be helping me to lay out a case as to why the mining of Kurnell should not proceed. I have also been greatly buoyed by the full cooperation of members of the local Indigenous community, including Merv Ryan, John Lennis, Shane Williams and local Indigenous community representative and leader, Aunty Berryl. I must also praise the Mayor of Sutherland, Councillor Kevin Schreiber, and his council team and Malcolm Kerr, the state Liberal member for Cronulla, for their full commitment to saving Kurnell from complete destruction. I will be working hard in the coming weeks and months to build the case to stop this expansion. It is an expansion which will, by Rocla’s own admission, remove one of the last visible dunes for which the Kurnell Peninsula was once famous. In Rocla’s own EIS it states that the visual effect from places as far away as Brighton Le Sands and Cronulla would be ‘high’, and hence the character of Kurnell will be irrevocably altered.

Of course, there is a far easier way for the senseless destruction of our nation’s birthplace—a place of great resonance to Indigenous and non-Indigenous Australians, a part of our shared and common history—to be stopped for good and in its entirety. The New South Wales government can, with a stroke of its pen, stop Rocla completely and end the destructive activities of the other sandmining concerns on the peninsula—Breen’s and the Holt group of companies. I understand and concede that the construction industry needs a source of sand, but I cannot concede that...
the state of New South Wales is so small that a more acceptable alternative cannot be found. I also understand that some weight of scientific opinion prefers the offshore extraction of sand from depths greater than 45 metres. It is interesting, then, to note that the NSW government has placed a moratorium on any exploration of this as an alternative avenue.

For too long, the vested interests of companies such as Rocla, Breen’s and the Holt group, the three sandmining companies on the peninsula, have held sway over the NSW Labor government. I hope that Barry Collier, the local state Labor member for Miranda, is quick enough to realise that if this proposal goes ahead his career in public life has a shelf life that may well expire quickly in 2007. The issue of our heritage and our nation’s birthplace is felt keenly nationwide, but nowhere more so than in the Sutherland shire. Every proud Australian should let their voice be heard. It is time that we made it plain to Mr Carr and his band of supporters that we will not stand for the wanton destruction of our premier historic site.

This place, Kurnell, is of paramount importance to all Australians—black and white, European and Indigenous, migrant and traditional owner. I call on Bob Carr and his government to finally act in the best interests of our state and end this destruction once and for all. I am committed to stopping the continuation and expansion of sand extraction at Kurnell. This is one of the very few remnant areas of dune left—it is a tiny example of the hundreds of millions of tonnes of sand that Rocla, the Holt group and Breen’s have removed from Kurnell since the 1930s. I look forward to working with the various academics, scientists, historians and residents who will help to achieve this end.

Commonwealth Youth Games

Mr GIBBONS (Bendigo) (5.06 p.m.)—I would like to inform the House that last week the city of Bendigo successfully hosted the second Commonwealth Youth Games. The Commonwealth Games Federation first discussed the idea of a millennium Commonwealth Youth Games in 1997. In 1998, the concept was agreed on for the purpose of providing a Commonwealth multisport event for young people born in the calendar year 1986 or later. The inaugural Commonwealth Youth Games were held in Edinburgh, Scotland, from 10 August to 14 August in 2000. Fourteen countries contested, and 483 medals were awarded over three days of competition in eight sports. In total, 773 athletes and team officials, 280 technical officials and around 500 volunteers participated in that event. Eight sports were contested.

The second Commonwealth Youth Games were awarded to Australia in 2002, and following a formal submission process Bendigo was awarded the honour of hosting these games in Australia. So the 2004 Commonwealth Youth Games were successfully conducted in Bendigo last week, with over 25 nations from throughout the Commonwealth competing, sending 1,000 athletes and team officials to participate. For the youth of the Commonwealth these games provided valuable international competition in a multisport environment, especially for those who aspire to compete in the Commonwealth Games in Melbourne in 2006—and in Commonwealth Games beyond those.

The participating nations in the games in Bendigo were Australia, England, South Africa, Scotland, New Zealand, Malaysia, Singapore, India, Nauru, Jersey, Sri Lanka, Wales, Northern Ireland, Samoa, the Solomon Islands, the Cook Islands, Fiji, Ghana, Malta, Bermuda, the Falkland Islands, Guernsey, the Isle of Man, Kiribati and
Vanuatu. The program consisted of 10 sports, with a total number of 193 gold medals being presented. Those sports were athletics, badminton, boxing, track cycling, road cycling, mountain cycling, gymnastics, lawn bowls, rugby, swimming, tenpin bowling and weightlifting.

The medal tally was as follows: Australia, I am pleased to say, won a total of 129 medals, comprising 58 gold, 41 silver and 30 bronze; England was next, with a total of 86, which were divided between 31 gold, 29 silver and 26 bronze; South Africa followed, with 56 medals in all, of which 20 were gold, 18 were silver and 18 were bronze; Scotland came after that, with 52 medals in total, of which 12 were gold, 17 were silver and 23 were bronze; New Zealand was next, followed by Malaysia, Singapore, India, Nauru and Jersey. Those countries formed the top 10 of the nations’ medal winning tally.

On any assessment these games were an outstanding success, resulting in an estimated $4 million being placed in Bendigo’s economy. Motels and other accommodation venues were fully booked and the city’s hospitality venues reported full capacity patronage. The games organising committee, which consisted of representatives of the City of Greater Bendigo, the state government and the Commonwealth Games Association of Australia, deserves great credit for the outstanding success of the meeting. On behalf of the people of Bendigo, I would like to thank: Mr Alan Besley, chairman of the organising committee, who undoubtedly put his very heart and soul into this event; the rest of his committee; and the City of Greater Bendigo Council and its officers, who demonstrated outstanding organising capacity in a thorough and professional manner and who deserve great credit for their efforts.

I would also like to offer a special thank you to the games director, Michelle Pryde, and to her team, who also demonstrated outstanding organising skills that contributed to the success of the games. A special thank you should also go to the outdoor staff and all the employees of the City of Greater Bendigo, who had the city and our sporting venues in pristine condition for this event and who worked so hard, in most cases in their own time, to ensure the success of the event. I know that each and every resident of Bendigo would be extremely proud of them. I would also like to express the city’s gratitude to the 500 volunteers who also ensured that the games were conducted in such an efficient and friendly manner. Without their help the events would not have been the success that they were. I would also like to say a big thank you to the many sponsors who assisted so generously. There were many of them—too many to mention here today—and so I seek leave to have a list of the games sponsors incorporated in Hansard.

Leave granted.

The list read as follows—

[Bendigo 2004 II Commonwealth Youth Games logo]

Major Funding Partners:

State Government Funding Partner
Australian Commonwealth Games Association Funding Partner
City of Greater Bendigo Funding Partner

Games Partner:

La Trobe University Games Partner

Media Partners:

Southern Cross Ten Media Partner
The Advertiser Media Partner
3BO & Star FM Media Partner

Proud Supporters:

1. Bendigo Bank Proud Supporter
2. Mulqueen Griffin & Rogers Proud Supporter
3. BeckLegal Proud Supporter
4. Telstra Country Proud Supporter
Mr Gibbons—I thank the parliamentary secretary and the House. I would also like to thank all of the city’s businesses, clubs and organisations, who also participated in ensuring the success of the event. I had the opportunity to meet several overseas visitors on Friday and all expressed their appreciation of the welcome, warmth and hospitality that they received from the people of Bendigo, especially from the city’s cab drivers.

I am sorry to say there was one organisation missing from the sponsors list, and that was the federal government. Not one dollar was provided by the Howard government for this significant international sporting event. The state Labor government contributed $750,000 towards this event, with the Howard government contributing not one cent. It is little wonder, as I said earlier today, that during the recent election campaign the sports minister, Senator Kemp, did not have the courage to visit Bendigo when he was scheduled to do so. He was invited to open a minor redevelopment at Bendigo’s Capital Theatre—around eight years and three federal elections after just part of the Commonwealth funding contribution of $2 million had actually arrived. Senator Kemp accepted this invitation, but he slimed out of his visit at the last minute. He dingoed out because he did not have the nerve, even though Bendigo was then and still is a marginal electorate.

After spending $6 billion in just over an hour during the election campaign, the Howard government ignored one of the most significant international sporting events ever held in regional Australia. Why? Was it because it was conducted in an electorate that is not held by the coalition? On the issue of funding worthwhile projects and events in regional electorates not held by the coalition Ebenezer Scrooge himself would not hold a candle to this government. A mean spirited attitude to non-coalition held seats has been a hallmark of the Howard government ever since it was first elected in 1996. I have no doubt that if this event had been held in a
coalition held seat—either a regional one or a metropolitan one—there would have been a substantial amount of money forthcoming and, indeed, we would have seen the Prime Minister there, posing for the inevitable picture opportunity. We all know he likes to be photographed with winning athletes. But, because they were held in Bendigo, the government took no interest in the games whatsoever. Obviously this very important event was not important enough for inclusion on the program of the Liberal Party or that of The Nationals.

I welcome the forthcoming Senate inquiry into the way this government allocates funding for its various programs. It is something I have been pushing for over the past few weeks. I know some of my colleagues today have expressed their concerns about a lack of funding in their specific electorates, and well they might. I think this particular Senate inquiry, in looking at the very partisan way this government allocates its programs, will come up with some pretty damning evidence. Since 1998, when I was first elected, I have felt the effect of that in Bendigo. There has been no new money for the Calder Highway in over four years. After four years, we are still waiting for an MRI licence to be allocated—just a licence: we are not asking the Commonwealth for any money for that; all we want is the licence—but we are yet to receive permission for that.

But I also noticed during the election campaign that $6 million was committed in the electorate of Gippsland, which is held by the National Party and is a very marginal seat. There was no problem committing $6 million for an MRI service in that electorate on the account of the minister who holds that seat, and that was achieved after several months work. Well, I have been pushing, and Bendigo has been pushing, for four years for an MRI licence, yet we are still no closer to getting it. The state government has weighed in: it has done its job; it is in tune with its community and is responding to its needs. We have a $3 million contribution just sitting there waiting to go for the building and infrastructure, but until we get that licence we cannot get that capability up and running. I really fear for the people of Bendigo, simply because they reside in a Labor-held electorate. Based on the information we have heard today and the information we are going to hear in the future, I think they have good reason to be concerned.

Health: South Australia
Barker Electorate: Skills Shortages

Mr SECKER (Barker) (5.15 p.m.)—Mr Deputy Speaker Causley, I congratulate you on your election. Might I add that my good friend the member for the Bendigo complains about marginal seats getting all this funding. As I understand it, the member for Bendigo has actually made his seat quite marginal.

Mr Gibbons—I resemble that!

Mr SECKER—Perhaps in the future he may actually get some of that funding. Today I grieve on a matter of great importance to my constituency in Barker and to all regional South Australians. Rural and regional health care in South Australia is a shambles. The city-centric Labor government which pretends to look after our great state has little understanding of the needs of the people in my electorate of Barker or, for that matter, for people living in rural and regional South Australia.

In July this year, we saw the state government hand down its 2004-05 budget. What a surprise! We found that the state government, in its wisdom, decided to cut $5.7 million from the ailing country health system. Why is the Rann Labor government cutting funds to the country health system when it should be increasing them? We all know that the federal government reached...
agreement with the state governments, which all happen to be Labor, to increase their funding over the five-year agreement from $32 billion to $42 billion—that is a $10 billion increase. In real terms that is a 17 per cent increase in health funding to the state governments. But what have they done? They have actually cut funding to health. That $10 billion extra together with the matching $10 billion from the state governments equates to over $1,000 for every man, woman and child in each electorate. That is what it should be. For an electorate like Barker, which has 150,000 constituents, that means an extra $150 million in funding for hospitals. What do we get? We get a $5.7 million cut. These ridiculous cuts risk the health of residents in those affected communities and will essentially see the downgrading of health services in regional South Australia.

However, it would seem that the Rann government is committed to health care—that is, metropolitan health care. South Australians will benefit from the cash injection, providing of course that they reside in the metropolitan area. According to the Rann government budget allocations, if you do not fit into this category it is just bad luck. The Rann government is treating regional South Australians like second-class citizens, and with contempt. This is hard to argue with if you look at the figures for metropolitan hospitals. The Rann government has allowed, one can only assume through mismanagement, major blow-outs in projects at the Royal Adelaide and Queen Elizabeth hospitals. For example, the Royal Adelaide Hospital project costs have risen from $118 million to some $200 million. Worse still, the Queen Elizabeth Hospital upgrade has blown out from $120 million to $300 million. That is pretty large mismanagement. I do not argue that upgrades such as these are not necessary; in fact, I support these upgrades. However, it is an outrage that the Rann government is allowing these projects to blow-out by millions of dollars while, at the same time, condemning country hospitals through funding cuts.

Further to this, the Rann government managed to find in excess of $8 million for health care services for southern Adelaide suburbs. So they have taken $5.7 million away from the rural areas and given $8 million for health care services to southern Adelaide suburbs where—surprise, surprise!—they have marginal seats. It begs the question: is the Rann Labor government playing politics with the health and wellbeing of country South Australians? Country South Australia and my constituency deserve better than this. Mr Deputy Speaker Causley, like you, we pay taxes, as does every South Australian. However, we are not afforded the same health care services as our city counterparts. Instead, we watch our great country hospitals slowly dying as they are handed ridiculous budgets and subject to reviews which essentially recommend cutting regional health care.

I would like now to speak about these reviews and in particular about the Gaston report. The Minister for Health, Lea Stevens, ordered a review of health care services in two areas of my electorate of Barker—the south-east and the Riverland. The review board, headed by Professor Carol Gaston who was appointed by the health minister, came back with numerous recommendations which suggested that the best way to deal with health issues in this region was to reduce the services available. Any reasonable person can tell you that if you genuinely want to improve health care in regional Australia, you should be making provision to support and sustain the health services already functioning, if not to actually increase them.
The report called for a decrease in existing emergency services in the regions, claiming they were not viable and that health care should be focused on providing general medical support. To give you an idea of the ridiculousness of some of these findings I will inform you of some. The Gaston report recommended that the Millicent Hospital cease low-risk caesarean births, something which essentially questions the hospital’s ability to continue births at the hospital altogether. The report suggested that it may not be viable to maintain the operating theatre at Bordertown Hospital, something which would have a huge impact on the hospital and the local community. Fortunately the people in the Riverland and in the south-east identified the devastating effect Professor Gaston’s recommendations would have on their health services and fought to have them rejected.

My constituency are most concerned about this report and what it will mean for health care in their region. In fact, a constituent contacted me recently about a petition which was signed by more than 6,000 Riverland residents for their support for the Waikerie, Loxton and Renmark hospitals and presented to the state Minister for Health, Lea Stevens, and their local member for Chaffey, Karlene Maywald. They were assured that this petition would be presented to parliament when it sat the week starting Monday, 8 November. However, it was not presented on Monday, or Tuesday or Wednesday or Thursday for that matter. One can only assume that the government was not interested in hearing the community’s objections to the downgrading of their local hospitals. Whilst the petition has now been presented to the parliament, one must ask why it was not done immediately. What, might I ask, are the state members for Chaffey and Mt Gambier doing about these issues? Not much, it would seem—although, before passing judgment, one must consider the very difficult position of being a minister on the state Labor government front bench. Instead of having more influence, they seem to be having less. The constituents want more of the local member and less of the highly paid Labor ministers working for them. They want to see their members doing the work that they were elected to do.

Another matter which I would like to speak on today is the shortage of skilled workers in regional South Australia and, more specifically, in my electorate of Barker. The shortage is a direct result of Barker’s unemployment rate, which now sits at 3.4 per cent, and in many areas of my electorate it is actually lower than one per cent. The problem with this success is that it has resulted in fewer and fewer people with skills in areas such as horticulture, mechanics, housing and construction. Employers simply cannot find skilled workers to take up these jobs. I regularly speak with people who have longstanding vacancies in their businesses for individuals with specific skill sets. The state Labor government is doing little to address this issue, with their shift towards fee-paying TAFE placements. This system is not as responsive to the needs of employers and, thus, some businesses struggle to keep up with their workload. To ensure that South Australia remains a competitive state, the Rann government needs to address the skills gap. I have no doubt that the federal government also has a role to play. In fact, I think the 24 Australian technical colleges that will be established will provide tuition for over 7,000 students in years 11 and 12. (Time expired)

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

That grievances be noted.
Question agreed to.

MAIN COMMITTEE

The DEPUTY SPEAKER (Hon. I.R. Causley)—I advise the House that Wednesday, 8 December 2004, at 9.40 a.m., has been fixed as the time for the next meeting of the Main Committee, unless an alternative day or hour is fixed.

FAMILY AND COMMUNITY SERVICES AND VETERANS’ AFFAIRS LEGISLATION AMENDMENT (2004 ELECTION COMMITMENTS) BILL 2004

HEALTH INSURANCE AMENDMENT (100% MEDICARE REBATE AND OTHER MEASURES) BILL 2004

AGRICULTURE, FISHERIES AND FORESTRY LEGISLATION AMENDMENT BILL (No. 2) 2004

Returned from the Senate

Message received from the Senate returning the bills without amendment or request.

COMMITTEES

Membership

The DEPUTY SPEAKER (Hon. I.R. Causley)—Mr Speaker has received a message from the Senate acquainting the House of the appointment of senators to certain joint committees. Copies of the message are on the chamber table and details will be recorded in the Votes and Proceedings.

National Capital and External Territories Membership

The DEPUTY SPEAKER (Hon. I.R. Causley)—Mr Speaker has received a message from the Senate acquainting the House that Senator Lundy has been discharged from the Joint Standing Committee on the National Capital and External Territories and Senator O’Brien has been appointed a member of the committee.

WORKPLACE RELATIONS AMENDMENT (AGREEMENT VALIDATION) BILL 2004

First Reading

Bill received from the Senate, and read a first time.

Ordered that the second reading be made an order of the day at the next sitting.

COMMITTEES

Public Works Committee Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.27 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development of a new collection storage facility for the National Library of Australia at Hume, ACT.

The National Library of Australia proposes the development of this new collection facility. This proposal was referred to the Public Works Committee on 24 June 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004. The estimated total cost of the proposed works is $9.9 million. Subject to parliamentary approval, construction is planned to commence in April next year with completion and occupancy by March 2006. I commend the motion to the House.

Question agreed to.

Public Works Committee Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.29 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Development of a new collection storage facility for the National Library of Australia at Hume, ACT.

The National Library of Australia proposes the development of this new collection facility. This proposal was referred to the Public Works Committee on 24 June 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004. The estimated total cost of the proposed works is $9.9 million. Subject to parliamentary approval, construction is planned to commence in April next year with completion and occupancy by March 2006. I commend the motion to the House.

Question agreed to.
Standing Committee on Public Works for consideration and report: Proposed development of land at Lee Point, in Darwin, for Defence and private housing.

The Defence Housing Authority proposes to form a joint venture with a private company to develop the former Defence site at Lee Point in Darwin to provide serviced residential allotments. This proposal was referred to the Public Works Committee on 25 May 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004.

The estimated out-turn cost of the proposal is some $40 million, which includes headwork charges, civil works and contingency and professional fees. It does not include the cost of the land or the cost of sales. Subject to parliamentary and Defence Housing Authority board approval, the works program is planned to commence early in 2005. I commend the motion to the House.

Question agreed to.

Public Works Committee
Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.30 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed development of land for Defence housing at McDowall in Brisbane, Qld.

The Defence Housing Authority proposes the development of land and the construction of 50 community standard four-bedroom houses in the Brisbane suburb of McDowall. This proposal was referred to the Public Works Committee on 24 June 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004.

The estimated out-turn cost of the proposal is $17.5 million, which includes construction costs, civil works, headwork charges and professional fees. Subject to parliamentary and Defence Housing Authority board approval, the Defence Housing Authority would like to have the new residences available for allocation by November 2006, to coincide with the 2006-07 peak Defence posting cycle. I commend the motion to the House.

Question agreed to.

Public Works Committee
Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.32 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Attorney-General’s Department at 3-5 National Circuit, Barton, ACT.

The Attorney General’s Department proposes to undertake the fit-out, at an estimated cost of $23 million, of new leased premises. This proposal was referred to the Public Works Committee on 24 June 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004. The new premises will facilitate the collocation of departmental functions within the Australian Capital Territory. Subject to parliamentary approval, fit-out activities will be undertaken in conjunction with the construction of the facility, and all works and fit-out will be completed by the end of 2008. I commend the motion to the House.

Question agreed to.
Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.33 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Department of Industry, Tourism and Resources in Civic, ACT.

The estimated cost for new leased premises in Civic in the Australian Capital Territory would be $19.4 million. This proposal was referred to the Public Works Committee on 4 August 2004 but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004.

To meet the timetable of the Department of Industry, Tourism and Resources, which is driven by the expiry of the current leases, the developer was required to commence construction of the base building in September 2004. Subject to parliamentary approval, the proposed fit-out will be undertaken concurrently with the later stages of the base building construction. Both are due for completion in late September 2006. I commend the motion to the House.

Question agreed to.

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (5.35 p.m.)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed new East Building for the Australian War Memorial, Canberra, ACT.

This proposal was referred to the Public Works Committee on 24 June 2004, with a public hearing held on 13 August 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004. This building will provide more than 3,000 square metres of floor space for staff, collections, photographic laboratories and a workshop to allow the existing post-1945 conflicts galleries and discovery room to be almost trebled in size. The estimated cost of the proposed works is $11.6 million. Subject to parliamentary approval, work is planned to commence in February next year and be completed by March 2006. I commend the motion to the House.

Question agreed to.
Question agreed to.

AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION AMENDMENT BILL 2004

Second Reading

Debate resumed from 17 November, on motion by Mr Ruddock:

That this bill be now read a second time.

Mr WOOD (La Trobe) (5.37 p.m.)—As I was saying before the debate on the Australian Security Intelligence Organisation Amendment Bill 2004 was adjourned, Je-maah Islamiah has a strong presence across South-East Asia and a history regarding the use of ammonium nitrate fertiliser in attacks. Therefore, we have a terrorist group, JI, with a history of using ammonium nitrate fertiliser and a nexus to Australia through Abu Bakar Bashir and other associates. The terrorists, including JI, are now focused on stockpiling ammonium nitrate fertiliser. In 2002, 13 terrorist suspects connected to JI were arrested for plotting to use seven trucks laden with 21 tonnes of ammonium nitrate fertiliser to target US warships, and the terrorists also conducted surveillance on the Australian and British high commissions and the Israeli embassy. In early 2004, JI suspects in the Philippines were captured with 16 tonnes of ammonium nitrate fertiliser. They were intending to collect 20 tonnes of the product for a bombing campaign.

In March 2004, antiterrorist police in London seized half a tonne of ammonium nitrate fertiliser from a self-storage facility that was, again, connected to terrorists. In early July 2004, 2.5 tonnes of ammonium nitrate fertiliser was stolen from a fertiliser plant in North Carolina in the United States. A bulletin released on 30 July by the FBI and the Department of Homeland Security in the US warned of the use of ammonium nitrate fertiliser by JI and al-Qaeda, but more importantly it noted the efforts by al-Qaeda to stockpile ammonium nitrate fertiliser. Why stockpile ammonium nitrate fertiliser? Put simply, the terrorists are intending to go one up on the September 11 attacks. They are also very patient and will take their time stockpiling ammonium nitrate fertiliser. The best example of the patience of the terrorists was seen after the September 11 attacks, when in 2002 Spanish authorities seized a video dated 31 August 1997 which depicted the flight routes that were intended to be used by the terrorists. This is four years prior to the September 11 hijackings.

I recall my role with the Victoria Police. I was amazed earlier this year when, I believe only days after the ammonium nitrate fertiliser bombings in Madrid, a 16-year-old child went into a farming supplies outlet in Victoria and picked up two 25-kilogram bags of ammonium nitrate fertiliser. He went to the counter and the salesperson actually asked this 16-year-old child, ‘Are you planning to make a bomb?’ The child replied, ‘Yes.’ The shop assistant then actually said to the child, ‘Be careful now,’ and sold him 50 kilograms of ammonium nitrate fertiliser. The child took the fertiliser home, where, luckily for him and his family, his parents discovered that he had this product and was intending to make a bomb.

You may say that, therefore, we only need regulations for children. However, Mark John Avery, a 28-year-old New South Wales electrician, decided to build a bomb. He searched the Internet and purchased 100 kilograms of ammonium nitrate fertiliser from three outlets, including a farming and hardware supplier. Avery went to a deserted paddock in Western Sydney, where he found an abandoned car and placed his 100 kilograms of ammonium nitrate fertiliser combined with fuel inside. He initially decided to detonate the ammonium nitrate fertiliser with a mobile phone but eventually decided to use a sparkler. The end result was no car and a
five-meter crater left in the ground. This shows the amazing capacity of ammonium nitrate fertiliser as an explosive.

As part of the Mercury 04 terrorism exercise conducted earlier this year, I saw a video recording of 50 kilograms of ammonium nitrate fertiliser combined with fuel detonated in a small van beside a 42-seater bus. There was nothing left of the van and only the base and the seats were left of the bus. This, again, is the effect of 50 kilograms of ammonium nitrate fertiliser. For any member interested, I have a copy of the CD depicting that explosion.

As detailed in the Canberra Times of 25 August 2002, a former Army bomb technician, Don Williams, made a presentation to the Australian Homeland Security Conference. A computer program measuring the explosive capacity of varying amounts of ammonium nitrate fertiliser was demonstrated. The simulation calculated that, in a busy street in a CBD in Australia, there would be 200 people per 100 metres of street. With those figures, the detonation of a five-tonne ammonium nitrate fertiliser bomb would kill about 1,000 people and around another 10,000 people would be injured.

I agree with the need for ASIO checks. We cannot leave the vetting in the hands of shop assistants, as I demonstrated before. We must ensure that people are appropriately checked. We cannot allow terrorists to get hold of ammonium nitrate fertiliser. A prime example of this is the suicide bombing outside the Australian Embassy in Jakarta, where the bomber had been heavily involved in buying and selling ammonium nitrate fertiliser and urea. Terrorists are very methodical in their planning. Like a business, they have stages in their planning process. They are devoted to a cause—Australia is in their sights.

I would also like to propose that all holders of ammonium nitrate fertiliser licences as well as holders of shot firer licences—explosives licences—be recorded on a national database. This database could include other people who have access to certain chemical, biological and radiological substances or who undertake training for activities—such as flight training—which could be used by terrorists to enhance their knowledge and skills to commit acts of terrorism, as we saw on September 11. Intelligence is one of the key means to fight the war on terrorism. The database will assist investigators to protect Australians. I do understand there are privacy issues, but all I seek is that all jurisdictions share intelligence to better protect Australians.

In conclusion, ASIO assessments are required because security measures legislation which will be implemented by the states and territories is not enough to protect Australian citizens. This legislation will complement what the states and territories are doing. We cannot allow for vetting to be placed in the hands of salespeople. For the safety of all Australians, we need to ensure that security assessments are carried out by professionally trained people. As the No. 1 priority for any government or opposition is the protection of their people, I strongly support this bill.

Mr MELHAM (Banks) (5.46 p.m.)—I rise to support the Australian Security Intelligence Organisation Amendment Bill 2004. In its general outline, the explanatory memorandum states:

The Australian Security Intelligence Organisation Amendment Bill 2004 (the Bill) amends the Australian Security Intelligence Organisation Act 1979 (the Act) to expand and clarify the ability of the Australian Security Intelligence Organisation (ASIO) to furnish security assessments.

The need for these amendments has arisen in the context of the regulation of ammonium nitrate. In December 2002, the Council of Australian Governments (COAG) agreed to a national review of the regulation, reporting and security around the
storage, sale and handling of hazardous materials, including ammonium nitrate. Ammonium nitrate was given priority as a hazardous substance because of its history of use by terrorists and its ready availability to the general public.

On 25 June 2004 COAG agreed on a national approach to ban access to ammonium nitrate for other than specifically authorised users. The agreement will result in the establishment in each jurisdiction of a licensing regime for the use, manufacture, storage, transport, supply, import and export of ammonium nitrate. The licensing regime will ensure that ammonium nitrate is only accessible to persons who have a demonstrated legitimate need for the product, are not of security concern and will store and handle the product safely and securely.

The explanatory memorandum further sets out:

Whilst the proposed amendments have arisen as a result of discussions about controlling access to ammonium nitrate, the amendments are intended to be sufficiently broad to cover, to the extent that is possible, issues that may arise in the future, for example other hazardous materials to which access is controlled or limited on security grounds.

The Parliamentary Library’s Bills Digest prepared by Jennifer Norberry states on page 2:

Most ammonium nitrate in Australia is used to make explosives. In Queensland, for example, 98% of ammonium nitrate is consumed by the mining industry, with the remaining 2% being used by farmers, mainly horticulturalists. Apparently, ammonium nitrate ‘is not preferred as a fertiliser in many parts of Australia for agronomic reasons.’

The next page states:

On 25 June 2004, COAG agreed that the States and Territories would introduce a licensing scheme for ammonium nitrate products with greater than 45% ammonium nitrate content.

Further down on page 3 it states:

... COAG agreed that an authority will be required for any importation, manufacture, storage, transportation, supply, export, use or disposal of SSAN— which is security sensitive ammonium nitrate. The document continues:

Anyone wishing to obtain an authority will have to demonstrate a legitimate need for access to SSAN, provide safe storage and handling procedures, report any loss or theft of SSAN, undergo background checks and provide proof of identity. COAG’s definition of ‘legitimate use’ indicates the range of users and uses of SSAN:

Legitimate need is likely to include use in commercial production processes, mining, quarrying, the manufacture of fertilizer and explosives, educational, research and laboratory use, commercial agricultural use by primary producers, and services for transportation, distribution and use of the product. Household and domestic use, and the fertilisation of recreational facilities will not be considered a legitimate need.

I do not think anyone could have any problem with the thrust of this legislation. It has had support across the country at all levels. In his second reading speech, the Attorney-General said:

Our response to the threat of terrorism has been comprehensive and wide ranging, including a national review of hazardous materials by the Council of Australian Governments.

Ammonium nitrate has been given priority because of its history of use by terrorists and its ready availability to the general public.

Of particular interest to Australia is that Jemaah Islamiyah had planned to use ammonium nitrate to bomb the United States and other Western targets in Singapore, including the Australian High Commission.

He went on to say:

This scheme balances security considerations with the legitimate needs of industry and farmers. I agree with those sentiments of the Attorney in his second reading speech—that is why I have no problem in rising to support the principles behind the bill. But, unfortunately, in other areas balance is not achieved by this government. I caution them in terms of other legislation that they bring into this House. In
the last parliament I happened to be the shadow minister for justice and, together with Senator John Faulkner, was one of the two main negotiators with the government on the original terrorism bills and the original ASIO amendments that came before the House. We ended up with quality legislation—which had the support of both major parties in this House—because the government did not have control of the Senate, whereas the original pieces of legislation were harsh, oppressive and over the top and frankly would not have achieved the purpose for which they were introduced.

I caution the government, in terms of post 1 July 2005 when they will have control of both houses of parliament, to in effect embrace the previous principles of trying to get bipartisan support for these issues. I think that, in the fight against terrorism, what is important is that we have a parliament with both sides of the House supporting the legislation that comes before it and a government acting responsibly and in a balanced sort of way. We are all committed to fighting the threat of terrorism.

I am still disturbed by the way this government has abandoned a number of Australian citizens who are currently languishing in Guantanamo Bay. I wrote an opinion piece for the Australian newspaper on 15 January 2003 and unfortunately the situation has worsened since I wrote that article. David Hicks was captured by the US military in Afghanistan in November 2001. Mamdouh Habib was detained in Pakistan in early October 2001 before being moved to Egypt. He was then held in Afghanistan and later transferred to Guantanamo Bay. Both men have now been detained for over three years without charge. I think that, whilst the circumstances of Hicks and Habib have attracted a little public sympathy, whatever one might think of their alleged associations and allegiances one cannot ignore the fact that indefinite detention without charge does involve an abuse of fundamental human rights and legal principles. I think the Howard government’s endorsement of indefinite military detention of Australian citizens is unacceptable.

The legislation before the House is not in any of those categories that I talked about before. This is responsible legislation. It has been properly introduced by the government, and it is supported by all state and territory governments and this side of the House. The best message to send in relation to any threat to this country is that the parliament of Australia will be united in the way we deal with legislation and the threat of terrorism. The high ground does not belong to the government; it does not belong to the opposition. There are basic principles at stake. We should not throw those principles out in dealing with the threat of terrorism. They do not need to be put to one side.

I know that there are a number of other speakers and that is why I will not use my full 20 minutes. But I want to say that I like the process where the Commonwealth government, through the COAG process and by engaging with the state and territory governments, came up with the recommendation that laid the foundation for this legislation. It is not legislation introduced under the cover of darkness where an opposition is given two or three hours to respond. That is being too cute by half. We saw that in the last parliament with some of the terrorism legislation that was introduced. The opposition was given scant notice and scant regard in terms of its response. In the last parliament, we managed to pare that legislation back to reasonable legislation that we all embraced.

This is not a contentious piece of legislation. I commend it to the House. It enjoys the support of both sides of the House, as it should. There were some problems and I
think this legislation will go a long way towards overcoming them. I do agree in part with the earlier contribution by the member for La Trobe when he said that, in effect, intelligence gathering is really the most important thing that will overcome terrorist threats. This legislation will allow a level of intelligence gathering in relation to ammonium nitrate. It is the question of what the balance is. I commend the bill to the House.

Mr BEAZLEY (Brand) (5.56 p.m.)—I will be very brief, because I know that we are all under time constraints. The opposition supports the Australian Security Intelligence Organisation Amendment Bill 2004. What this bill does is empower communication between ASIO and various state governments when state governments come to license dangerous substances such as ammonium nitrate so that security checks can be effectively run on those who would secure the licences for it. The Labor Party supports this legislation, just as it has supported a raft of other government bills related to the extreme circumstances in which we live at this time, where we have entered into a form of international conflict with a new source of fascism in the international community.

In discussions in this parliament over the course of the last few years, we in the Australian Labor Party have had to suspend a lot of dearly held positions that many of us had through that period of time. We have had to make substantial mental adjustments to our international outlook as we have looked at the problems that our intelligence services and defence forces have to confront, the relationships that we have with states in this region and the focal element of those relationships as we join united in this struggle with our friends and colleagues in the region. The Labor Party has made those adjustments. I have to say that I cannot say the same thing for our political opponents. Our political opponents still swing wildly between dealing with the problem that I have just outlined and seeing in all of this a political opportunity. As they have done so, they have failed to make the mental adjustments that they need to make in a number of areas.

This issue of ammonium nitrate goes right to the heart of one of those adjustments that they need to make. This bill will provide a process of security checks for those that will have licences to transport ammonium nitrate. That gets to the heart of an issue raised by the member for Throsby in this place and also by a recent committee of parliament in its consideration of our national and international transport arrangements and the issue of single voyage permits for ships of convenience carrying ammonium nitrate around our shores.

This practice must now cease. The practice of shifting ammonium nitrate around our coastline or bringing it into this country via flag of convenience vessels has to stop now. No more. The Americans would never permit it around their coastline; we should never permit it around ours, from this point on. But to do so, to act in this critical way to secure the safety of the Australian people and Australian ports, would require The Nationals in particular but also the Liberal Party to make the ideological shift that the Labor Party has had to make in order to deal with the circumstances in which we now live.

The use of these flag of convenience ships with single-voyage permits—and sometimes multiple-voyage permits—around our coastline is entirely ideologically based. It is deeply embedded in a strategy many years old to destroy the Seamen’s Union and the operation of Australian ships around Australian ports. No more can this situation persist. It is now a danger to national security, and that danger to national security must now be dealt with.
The government is doing the right thing here in identifying in its discussions with its state counterparts the need to pay more careful attention to who has control of the movement of dangerous goods around our coastline and around our nation. It must take this a step further now, and this means some sacrifice of a deeply held position on the part of our political opponents. They have utilised single-voyage permits for the purpose of undermining Australian flag shipping, which is unionised, in our coastal trade. As a result of that—certainly not at the times when these strategies were first thought out, but now, in the current international climate—this represents a danger to us.

Al-Qaeda and its affiliates are thoroughly familiar with the utilisation of ammonium nitrate and with what it is capable of doing when mixed with fuel and other substances. They had the exemplar performance, of course, of that character who blew up a government facility in Oklahoma. They themselves utilised ammonium nitrate in their first attack on the World Trade Center in 1993 and subsequently in their attacks on embassies in Africa in the 1990s. Of course, they had an example before them.

Let me read to you what the consequences would be of an explosion in a ship laden with ammonium nitrate, which had fallen into the wrong hands, operating in an Australian port. Unfortunately, we actually know what the effect would be, because such an event occurred in the Port of Texas City on the Gulf of Mexico in April 1947. Let me quote from a book—which must now be read by all Australian members of parliament—entitled A Time Bomb for Global Trade: Maritime-related Terrorism in an Age of Weapons of Mass Destruction, by Michael Richardson. It is now essential reading for all Australians who want to take their duties as members of parliament seriously or who simply want to participate effectively in the debate. This is what happened to a ship called the Grandcamp, which caught fire while it was loading some 2,300 tonnes of ammonium nitrate:

Not long after 9 am, barely an hour after the smoke was first spotted, the ship disintegrated in a massive explosion that was heard as far as 150 miles away.

A huge mushroom-shaped cloud billowed more than 2,000 feet into the sky. The rising shockwave knocked two light planes that were flying overhead out of the sky. Steel shards scythed through workers along the docks and a crowd of curious onlookers who had gathered at the head of the pier where the Grandcamp was moored. Many were killed instantly: the ship’s crew, bystanders and almost the entire volunteer firefighter corps of the town. At the nearby Monsanto Chemical Company plant, 145 of the 450 shift workers on duty died. A 15-foot tidal wave thrown up by the explosion swept a large steel barge several hundred feet inland, carrying dead and injured people back into the blast zone as the water receded. Ignacio Hernandez, then a five-year-old living in Texas City, ran with his mother away from the blast. He remembers one woman wailing: “The world is coming to an end!”

We know thoroughly, absolutely, what happens when 2,300 tonnes of ammonium nitrate explodes in a port. We can contemplate the fact that on 18 September last year we had the ship Henry Oldendorf carrying over 10,000 tonnes of ammonium nitrate as well as hundreds of tonnes of diesel fuel, plying the Australian coastal trade—five times the cargo of the ship which exploded in Texas City. The Henry Oldendorf is a Monrovian-registered ship, presumably operating under a single voyage permit issued by the federal government. Amongst her crew of 20, she had seven different nationalities: Indonesian, Indian, Filipino, Ghanaian, Egyptian, Turkish and Moldavian.

We know now from the operations of al-Qaeda globally that there is a shift—particularly in our region—to a maritime interest, manifesting itself in concerns right
through this region about the possibility of a crossover between acts of piracy in the Malacca Straits and acts of piracy that are performed effectively by terrorists. Indeed, one terrorist organisation has already been identified with acts of piracy—that is, Abu Sayyaf, operating out of the Philippines. Abu Sayyaf has links with al-Qaeda. Thus far, the attacks have been for what you might describe as money-raising purposes. Basically, the crew or the ship is ransomed or the cargo is sold. Those are the purposes of the pirate attacks so far, and they have been increasing substantially, one might even say exponentially, in the South-East Asian region.

But it is only a matter of time before the obvious opportunity that arises from the utilisation of a ship as a floating bomb becomes something that strikes al-Qaeda or al-Qaeda related organisations as a possibility for introducing more dramatic horror into a situation than that which occurs with simply the kidnapping of the crew of a ship. This is something that we must be alert to and deal with, and we must make adjustments in our own behaviour against the risk that these sorts of things could happen here. It would be exactly the sort of thing that an outfit like al-Qaeda would contemplate in relation to Australia, if we have so little control over the character of the crews and the flags of the ships that operate in our area.

Having said that, Mr Deputy Speaker Adams, I do not want to trouble Hansard, you and this House any more, because obviously the Labor Party are supporting this legislation, but I want to conclude with a plea to our political opponents opposite: they must now start to change. They must now see these issues beyond their simple ideological preferences and their past hatreds. They must now start to properly treat people whom they have often seen to be among the persecutors of the farmers because of the costs of operating the shipping around our coastline that arise from dealing with unionised crews that are paid properly and ships that are maintained properly.

It certainly is the case that crews so paid and ships so maintained are more expensive to operate than flag of convenience ships where people are underpaid and where the provenance of the particular ships is not known. But there are plenty of reports of al-Qaeda ‘navies’ operating under flags of convenience around now. There are plenty of reports of Tamil Tiger ‘navies’ operating under flag of convenience ships, as we know now. This is a situation which can no longer be maintained. It is a situation up with which the Americans will not put. The Americans themselves have made some decisive decisions in the aftermath of September 11, and it must be said that they were always far less liberal than we have been on the issue of single voyage permits and the like. The Americans are now being extremely careful about who brings what into American ports and the way in which they travel between American ports. They would never permit a situation such as we have operating here in this country now in relation to ships of single voyage permits and flag of convenience ships with dangerous cargoes in the region. They would not put up with that and nor should they—and nor should we.

Mr WAKELIN (Grey) (6.09 p.m.)—The Australian Security Intelligence Organisation Amendment Bill 2004 is a fairly clear-cut piece of legislation which is, of course, dealing in a new world with an old commodity or substance that has been very much part of our national scene for many decades. Nevertheless, the safety and security of our people are the most important responsibilities for any government; hence we have this bill. It comes from the agreement of the Council of Australian Governments and the issues around counter-terrorism decided in June of this year. The states and territories will be the
licensing regimes, obviously, and the bill details ASIO’s functions and ASIO’s security assessments.

As far as the disastrous impact of this particular substance goes, I particularly note that, as the previous speaker noted, yes, there are some well-documented cases with some very tragic and disastrous results but that, to my knowledge, within Australia there is no such record of that other than in a relatively limited way. I will stand corrected on that, but I do not believe that we have had circumstances similar to those of the more documented international cases. Coming from my electorate, I have been well aware of the substance in terms of the mining industry, particularly the opal mining industry; that is where the explosive component of it is very much to the fore. The base product, ammonium nitrate, as a part of the fertiliser industry has been very much part of my life for coming up to 40 years so it holds no particular concern to me. But, certainly, in the hands of the wrong people it does bring that added degree of concern, and the Western targets are well documented in the Attorney’s speech of last month.

The licensing regime will ensure that ammonium nitrate is only accessible to persons who have a demonstrated legitimate need for the product, are not a security concern and will store and handle the product safely and securely. There are some sensible weights—I note that the legislation states how much can be in a load, how much can be in a small bag et cetera. I understand that it is touted as an important example of the state and territory governments working in partnership with the Australian government on our national security, and of course I welcome that. I understand the Queensland government has already introduced its licensing regime and that the other states and territories are expected to follow not too far into the new year.

The licensing regime, as I understand, requires ASIO to furnish security assessments for the states and territories. ASIO will be ready to fully perform this role as the recourse comes from the states and territories. The additional responsibilities that have fallen on ASIO and the necessity of the amendment to underpin ASIO’s ability to have these assessments and to assess the risks are important parts of the bill. I trust, and I am sure the parliament trusts, that it clarifies the circumstances in which ASIO can work with the states on this perceived and—I guess we have to acknowledge—potentially real threat.

In terms of the practical applications of the bill, I will deal briefly with agricultural use, because those working in agriculture will be concerned about what other layers of bureaucracy and regulation they will be subject to. As I have already said, the purpose of the 25 June Council of Australian Governments meeting was to agree to the process. A security census of ammonium nitrate licences for primary producers will be required. They may be multi-purpose, authorising some or all four activities—that is, purchase, transport, storage and/or use. The issue of weight has been dealt with in the regulations as well. The bill covers blends containing more than 45 per cent ammonium nitrate. I think that is a useful definition. There are a whole range of definitions regarding authorised persons, non-stop journey, constant surveillance, explained loss, unexplained loss, politically motivated violence, checks et cetera. The detectable theft of, unexplained loss of, sabotage of or unauthorised access to SSAN are part of the secure means and the security risk.

A security plan has been put in place by the primary producers to effectively minimise all relevant security risks. That is covered in section 5. With regard to issues like unsupervised access, a UN number is as-
signed to the dangerous goods by the UN Committee of Experts on the Transport of Dangerous Goods. Ammonium nitrate is meant to be kept under lock and key. The bill defines that, and there are some suggested maps showing how that could be done as well as some minimum requirements in the explanatory notes. I conclude on this section on the agricultural sector by mentioning some additional voluntary measures to do with signage, physical security, lighting, alarm systems and farm or guard dogs. I suppose those of us who are familiar with farms understand that most farm dogs tend to act in that capacity.

Ammonium nitrate fertiliser, as covered in the Australian Security Intelligence Organisation Amendment Bill 2004, is very well dealt with. I note that the bill does not mention the consultation with the farm bodies. When it goes to the other place we will see what is fleshed out in terms of the consultation with and agreement and support of the farm bodies, so that might reasonably add to the effect of the legislation. That is all I think I need to say. I, like all members of this House, trust that we will not ever have to witness the results of what this material can do. I have seen some of the results of relatively minor usage of this material. It certainly has an impact that stays with you. We know that the Australian Security Intelligence Organisation Amendment Bill 2004 is going to have a speedy passage because, as the member for Brand has already said, the other side supports it. That is all I need to say at this stage.

Mr DANBY (Melbourne Ports) (6.19 p.m.)—Before I formally commence to speak in support of the Australian Security Intelligence Organisation Amendment Bill 2004, I will say this: you sometimes come into this House and hear comments, speeches or points made by people that cut through all the chaff in this place. I hope the government far out there in the ministerial wing listened to some of the remarks made by the member for Brand. I know that there is a deep ideological adherence—particularly by The Nationals—to these single-voyage permits and a hatred of Australian shipping and the Seamen's Union of Australia that transcends political reality. We see it every day in the government's talking up of its wonderful waterfront reform whereas, in fact, anyone who speaks to an exporter knows that the cost of containers exported overseas has not gone down at all—a point made by the opposition over the last five years and only recently taken up by the ACCC. The opposition have noted that the trickle-down effect of waterfront reform has not benefited Australian exporters; it has in fact simply benefited the bottom line of a couple of the major stevedores.

This bill amends the Australian Security Intelligence Organisation Act 1979 and gives ASIO powers to investigate and report on the activities of persons who may be suspected of planning to carry out terrorist attacks using ammonium nitrate. As I understand it, this chemical is commonly used in the mining and agricultural industries but, unfortunately, it can be used for making car or truck bombs. Fertiliser which contains more than 45 per cent ammonium nitrate is known as security sensitive ammonium nitrate, or SSAN, and is widely available in Australia. The member for Barton outlined the reasons why the opposition is supporting this bill. It carries out the wishes of state and territory governments meeting in the COAG and will allow Australian governments to take more effective preventative action against people who plan to use ammonium nitrate for these nefarious purposes.

Sadly, this is not an idle or imaginary threat. We recall that the right wing extremist Timothy McVeigh used ammonium nitrate to make the truck bomb that killed 168 people
in Oklahoma City in 1995. We recall also that ammonium nitrate was used by Jemaah Islamiah to kill 202 people, including 88 Australians, in Bali in October 2002. We recall that it was used again at the Australian Embassy bombing in Jakarta just a few months ago. Finally, we recall that in Perth last year Mr Jack Roche pleaded guilty to charges that, on the instructions of Jemaah Islamiah leader Abu Bakar Bashir, he conspired with others to blow up the Israeli Embassy here in Canberra with a truck bomb, using the same chemical. There is thus a real and present danger that ammonium nitrate could be used to carry out attacks of this kind on Australian soil.

As the member for Barton pointed out, Australia has a problem with the wide and easy availability of this substance, which can be used in fertiliser. It has been used for legitimate reasons, for agricultural and industrial purposes. In Australia we have not been used to putting in place safeguards against these kinds of terrorist acts using this kind of material though. As a result, supplies of ammonium nitrate are easily accessible to those who want it for illegal purposes. State and territory governments urgently need to regulate much more closely the production, distribution, storage and use of ammonium nitrate. I understand that at a recent COAG meeting they agreed to do this.

The purpose of this bill is to enable ASIO to investigate and monitor the use and misuse of this substance so that information can be passed to the AFP and state and territory police forces. This is an important function that ASIO should carry out, and that is why this bill should be passed by parliament without delay. The opposition’s position on this bill is consistent with the stand we have taken on the security and antiterrorism bills which the government has introduced in the wake of September 11 and the Bali bombings. After due parliamentary scrutiny, we have supported all of these bills in principle and in the great majority of cases we have supported them in detail as well. Where we have insisted on amendments we have done so in order to improve the effectiveness of these bills and to maintain safeguards against their possible misuse. This did not stop some government members from claiming during the recent election campaign that only they can be trusted with Australia’s national security. This is a false, malicious and—I believe most of the opposition would think—offensive claim.

It is fair to point out that it is now more than two years since the danger posed by the ready availability of ammonium nitrate became apparent. It is now 10 months since the Attorney-General told us, correctly, that this matter was urgent, yet it is only now, more than two years after the Bali bombing, that we are seeing a bill introduced to this House to give ASIO the power to make specific investigations into the possible misuse of this chemical. Furthermore, as the member for Barton pointed out, it is now five months since the Attorney promised to undertake an investigation of possible non-explosive alternatives to the use of ammonium nitrate as a fertiliser, with a view to possibly banning fertilisers containing ammonium nitrate altogether. We can see no evidence of any progress being made in carrying out this promise.

Government members ought to be very careful when they claim a monopoly on virtue in standing up for Australia’s security and against terrorism. This should not be a matter of partisan politics. We should not seek to score partisan points out of national security matters in this House, and government members would be well advised to take the same view. This bill, like the antiterrorism bills which the government has introduced, is a reactive measure. It seeks to protect Australia
and Australian citizens against terrorist attacks, and for that reason we support it.

On the subject of terrorism, I would like to slightly digress—I believe that it is very germane to the same topic, though—and pass on to a phenomenon that we saw in Ballarat last weekend. At the head of the Eureka parade the father of alleged terrorist David Hicks was present. I must say, I agree with Peter Lalor, the great-grandson of the leader of the Eureka miners, who said that the choice of Hicks to lead the walk was ‘an act of lunacy’. I also agree with the Premier of Victoria, Steve Bracks, who said:

Eureka is for everyone. It’s not for the National Front ... It’s not for extreme left-wing groups who want to own it.

In my view, it was a mistake to extend the invitation to Mr Hicks’s father, who is naturally concerned about the welfare of his son but who is, in my view, not the equivalent of the Eureka miners, who fought for freedom for all Australians.

Whether or not David Hicks is guilty of the specific offences he is currently charged with, there is no disputing that he willingly underwent training with the Taliban and al-Qaeda in Afghanistan. He has said as much himself. The purpose of that training was to be able to carry out terrorist attacks, whether in Australia or elsewhere. The political purpose of those attacks, again, according to Hicks himself in correspondence to his father outlined in the SBS documentary that was broadly sympathetic to him—these are his own words—was to ensure that ‘the Western-Jewish domination is finished so we can live under Muslim law again’. In my view, this is a person we are asked to accept as a man who is equal to those who gave their lives at Eureka. I think not. Hicks is now being tried before an American military tribunal. These proceedings have been the subject of a great deal of predictable comment from some of his lawyers. The critics include Hick’s American military lawyer, Major Michael Mori, who can hardly be accused of anti-American bias. In fact, I think he is doing a very good job of representing Mr Hicks.

This afternoon the honourable member for Gellibrand spoke on this subject. I certainly agree with the point she made about the unacceptability—indeed, the idiocy—of the minister’s suggestions that the use of torture on detainees is legitimate or that information gained through torture should be used as evidence before any court or tribunal. When these kinds of arguments are made they discredit the strong case that can be made against people participating in terrorist activities. Why do they discredit opposition to terrorism? Because, by making such exaggerated claims that torture or evidence adduced from torture should be used, you discredit the case against terrorism adduced from evidence obtained elsewhere that can be used in trials against such people.

I would like to make some comments about military tribunals in particular. The September 11 attacks were a declaration of war. We would have a great deal of difficulty in collecting evidence against Hicks under either US or Australian law before a civilian court. He is not, in any case, a civilian defendant, since he committed no offence on American soil. He is not legally a prisoner of war, since he was not serving in an armed force of a recognised state. Yet there is no doubt that he trained with an al-Qaeda offshoot, Lashkar-e-Taiba, and no doubt, from his own evidence, that he fired ordnance with them into the territory of India, a state friendly to Australia, and intended to use the training of Lashkar-e-Taiba to enhance the Islamist beliefs that led him to go to Afghanistan in the first place.
What then is to be done with him in the current circumstance? Is he to be released so that he can resume his activities or possibly put his training into effect, or is he to be held in detention indefinitely? Neither of these alternatives seems to me to be acceptable. The only alternative is to try him before a court or tribunal suitable to the circumstances of wartime, using a standard of evidence that may not be acceptable in a civilian court but which should be a high standard of evidence nonetheless. It certainly should not be evidence adduced by torture, which the Attorney today, as it advocated would bring serious discredit to the whole process of trying terrorism.

I agree with those who say that David Hicks is entitled to a fair trial, and that any term of imprisonment or detention to which he is sentenced ought to be served in Australia and not in Guantanamo Bay. But I do not agree with those who argue that he ought to be treated as a civilian defendant with access to all the devices of delay and evasion that skilled trial lawyers can obtain for such a defendant. Such rights have never been made available to those who signed up to fight the enemies of their country, nor should they be in this case.

Nevertheless, I do not agree with those who argue that Hicks will not get a fair trial before this US military tribunal. The rules for his trial give him the right of representation by a defence counsel of his choice as well as an American military lawyer. He has the benefit of the presumption of innocence, and the case against him must meet a standard of proof beyond reasonable doubt. He has the right to subpoena witnesses and documents to be used in his defence; the right to cross-examine prosecution witnesses; and the right to remain silent, with no adverse inference being drawn from the exercise of that right. I am not a lawyer, but it seems to me that these are the essential elements of a fair trial. Hicks will certainly have more rights and safeguards before a military tribunal than defendants have before sharia courts of the Taliban regime in Afghanistan, a regime to which Hicks chose to give his allegiance. He will have more rights and safeguards than defendants would have before the Islamic legal system he apparently wants to bring to Australia.

I have digressed somewhat from the content of the bill because I believe it is necessary that we combat the threat of terrorism in more imaginative ways than just passing bills which strengthen our police and security agencies, necessary and important though such measures are. The member for Brand explained why, particularly in the case of ammonium nitrate and the matter of shipping—a matter which the forces of al-Qaeda, particularly in this part of the world, are increasingly turning to—that is something that this ideologically motivated government ought to face up to. We face a challenge which is political and ideological, not just military and technical. This is not simply a matter of it being a criminal procedure which we ought to be able to pursue right through to the end. These are not criminals. This is a war of ideas and a war that has been declared, without any volition of our own, on the kind of democratic society that we live in. We need to develop therefore strategies that are political and ideological as well as technical and military to defeat this challenge. This bill and bills like it may deal effectively with some aspects of that threat, but they can never be the whole answer.
tion which will allow ASIO to look not just at people but also places—and it can do that already under section 35 of the ASIO Act. But this bill will allow them also to look at a ‘thing’. That ‘thing’ is very important. Normally a thing or things are not very significant, but here there is a fundamental importance to using a very simple broad word to indicate a class of objects, whether they be explosives or other objects, which need to be looked into. At the moment if you look at section 35 of the act, as I understand it from the background material, you could put a case that ASIO has a power not only to look at people and circumstances and to check the backgrounds of people but also to look at someone who is seeking a licence to either store or transport ammonium nitrate or, as it is defined within the COAG notes, SSAN or security sensitive ammonium nitrate. It is possible that ASIO would have the power to do that; but there is some indication that at the moment, if you take a particular construction of section 35, it may be too narrow.

The fundamental purpose of this bill is to ensure that, if people have access to and are dealing in a hazardous materials—and all of the Australian states and territories have signed up to an agreement with the federal government to indicate that one particularly sensitive material is security sensitive ammonium nitrate—and they are applying for licences to deal with those materials, part of the process is a check by the state authorities on whether those people are not only proper but also, in security terms, have no criminal background. As far as the special branch activities of state police forces are concerned, they must check out the security sensitivity not only of the ammonium nitrate but also of the person they are looking into, and they can cooperate with ASIO to ensure that their broader background checks assist the security of the nation at large and that people can be assured that the agencies are properly able to look at whether a certain person or persons are in a position to use this highly volatile substance.

Madam Deputy Speaker Bishop, as you and other members in the House would know—but there may be many who do not—in and of itself, ammonium nitrate is not an explosive. It is only made into a combustible material when mixed with fuels in an appropriate concentration, indicated in the ammonium nitrate guidance notes 1 to 4 put out by the Council of Australian Governments as a mixture containing about 45 per cent of ammonium nitrate together with oils and other fuels. It is also important to note that this is defined not simply as ammonium nitrate itself and nothing else. There are two steps to be taken in regard to this, and this bill takes them by indicating that ASIO can look at a ‘thing’, which may be this or another explosive substance. In fact, COAG members are looking at a range of potentially explosive substances.

The reason that ammonium nitrate, in particular, has been alluded to is the experience not only in Queensland but also more broadly in the Northern Territory and in Western Australia where there is a very high usage of large amounts of ammonium nitrate. Agricultural use of ammonium nitrate is relatively small. In Queensland, two per cent of the total amount of ammonium nitrate used is for agricultural purposes, primarily by horticulturalists rather than by broadacre farmers, and the same seems to be true for Australia generally. The reason apparently is agronomic. Agronomists argue that the use of this particular nitrate is not good in Australia’s poor soils and that there are other fertilisers which can enrich the soils, do a better job and do not degrade the soil for the purposes of growing food.

So a very minor part of this concerns agricultural use. But whatever the amounts kept
on farms it is important that people can be assured that others cannot have ready access to a substance as explosive as the one used by Timothy McVeigh in his attack on the federal building in Oklahoma City in which he destroyed the lives of hundreds of people. He destroyed not only those who had their lives so suddenly wrenched from them but also the lives of their families, in perpetuity. We also know that this volatile substance, ammonium nitrate, was proposed to be used by Jemaah Islamiah on an attack on Australia’s embassy in Singapore. There were also some indications that they planned to use it against other Western countries in Asia because of its ready availability throughout that area. But on a broader scale there is the problem of how you deal with ammonium nitrate and control it and how you ensure that the people who are licensed to do this do it in a secure way.

Even though only two per cent of the available amount is for agricultural use, guidance note No. 3 has a strong series of provisions to make sure that people who have charge of this material store it securely and that there is a registered plan so that the authorities, whether they be the local police or other authorities, can be assured that it is kept in a secure way and that it is not easy to get access to it.

The much larger use is, of course, associated with Australian mining. Because it has a very high capacity to be used very effectively as an explosive when mixed with fuel oil, 98 per cent of the ammonium nitrate used in Queensland is for mining purposes. Miners have to blow things up. They have to use either TNT or other materials in their daily work, and the item of choice is ammonium nitrate.

The provisions in the other guidance notes regarding the transport, siting and storage of ammonium nitrate by and large go to the work of Australian mining companies, both small and large. But one of the things that helps us in this instance is that there is not a vast and disparate number of miners. The people who are involved in this—BHP Billiton and the other major mining companies—have very strong control of their mine sites. They already have very good security routines for the storage of their material on site or close to where it is used, and already have fairly strict controls over the movement of material from mine site to mine site. So it is easier to use it with the larger companies. The actual details dealt with here are of more concern with the smaller companies where there may be more ready access for people who would do harm.

But I want to come to a particular point in terms of just what is at risk here. In ammonium nitrate guidance note No. 4 on the siting of new facilities, which was issued in November 2004, we get an idea of just what the problems are in terms of what could be at stake. Under the heading ‘Vulnerable facilities’, the COAG partners mention a pretty simple list:

A category of facility that includes, but is not restricted to, the following:

(a) Multistorey buildings of four storey or higher.
(b) Large glass fronted buildings of high population.
(c) Health care facilities, child care facilities and schools.
(d) Public buildings or structures of major historical value.
(e) Major traffic terminals, e.g. railway stations and airports.
(f) Major public utilities, e.g. gas, water, electricity works.
(g) Residential areas.
(h) Sports stadium.
(i) Critical infrastructure.
That is a pretty broad list, and unfortunately it needs to be. In these past years we have had the attacks on the twin towers, the Congress building and the Pentagon. Prior to that, we also had the attack on the basement of the twin towers in 1993—which did not succeed—an attack on the USS Cole and a series of attacks against embassies and other facilities in Africa and elsewhere. The leading characters in these attacks, al-Qaeda, and their allies in Asia—Jemaah Islamiah and others—are given to using these readily available materials to do enormous damage to buildings and people. We know that the task of securing ourselves against terrorism has to cover such an extraordinarily long list of these commonplace sites where people gather in large numbers. Here, we not only secure this parliament but are forced to spend time, money and effort to secure major venues Australia wide.

This bill will play its part in more closely licensing those people who have access to just one item, security sensitive ammonium nitrate, or other things in a class that can also be problematic. I am indicted—in fact, indebted to one of my branch members—

Mr Snowdon—Indicted?

Mr Hatton—I probably should be indicted! The member for Lingiari might be quite right! It may happen one day, I am not sure. Given that we have the Attorney-General here, I could seek his advice on that. I am indebted, rather than indicted, to one of my branch members who, some months ago at a branch meeting, gave me an extremely good run-down of the chemical and explosive properties of not only ammonium nitrate but also other materials of the same class that could do as much or greater damage because of their explosive power. He does not want to be identified or have this publicly attributed to him, but the information is important because there is not just one item; there is a whole class of items.

This branch member pointed out that potassium nitrate is the basis of gunpowder. That can be gotten quite easily around stables; it is produced as a result of the breaking down of horse urine. It can also be gotten from wood ashes when it comes with the right ingredients. Another nitrate, sodium nitrate, is the basis of blasting powder, and that can be gotten from seaweed—something as simple and as common as that. The most common and easily available explosive of all is common petroleum gasoline. We know that in accidents, either at refineries or on our roads, this particular inflammable material is immensely powerful. It can be used in one way or another and can cause great damage and great difficulty.

Part of the problem for the Attorney-General and all of our agencies is that, although we can increase our security measures and try to tie down, as we do in this bill, people who are licensed in one particular way, there is still so much for us to look at because in modern, complex industrial societies we can be attacked from almost every point. It is extremely difficult to protect yourself against that, but there are some means and measures through which the community at large has assisted greatly.

I heard a journalist make an argument recently that was quite strong and very sound. My electorate of Blaxland—the Attorney would know a number of the people I am alluding to—has a very high proportion of people who come from overseas. We also have a relatively high proportion of people from the Middle East, with a good part of the population being of the Muslim faith. There are major mosques within my seat and next door in the seat of Watson. It is with those normal Australians of Muslim faith that part of our safety and security lies. The argument
I heard put—a very sound one, I think—was that it is that part of the population that is most acutely aware of the problems concerning fundamentalists who would turn their religious faith upside down. They attempt to use a very strange and weird interpretation of the faith as a weapon and turn it against the people of Muslim faith in Australian society, and those who are around them.

I only read that in the last few days, from a journalist, but the background point was significant. A comment made to me sometime after the election brought this point home. It was a comment made by someone in the community that I have known for a very long time, a community leader who is of the Muslim faith. I asked him about the election and what he thought, and he said, ‘You know, a lot of the people in your electorate who are Muslim voted Liberal.’ I said, ‘That’s an interesting insight; why do you think that’s the case?’ He said it was because there was a view that Howard and the coalition would be harder on national security than a Labor government would be.

Because they were seeking some kind of shelter, because they were more vulnerable than other people—because they were of the Islamic faith and terrorists are identified as Islamists, although a lot of people within the community would say they should not be so typified—they voted Liberal. Their problem was they needed safety and security. Even though in the normal parameters of household income and all the rest one might expect that those people would have voted Labor, they did not. He said, ‘I know because I’ve gone around and I’ve talked to people and they were so worried about this; that is why they did that.’ They had the perception that the government would be harder on terrorism and was closer to President Bush and the Americans.

I know that in terms of national security arrangements, as with a range of other things, within my party I am to the right of a lot of people—

Mr Snowdon—Genghis Khan?

Mr HATTON—maybe even Genghis Khan; he was a terrorist in his own right—and both in government and out I have always taken a very strong stance on national security and the necessity for ASIO and our other agencies to be provided with the proper powers they need to ensure our security. I know that, in representing my electors, those who are fearful across all faiths and all backgrounds need to know and need to be assured that our agencies are working with them to make this a safer place.

The point the journalist made is quite right: it is people in those most endangered communities, that might harbour terrorists with links to Jemaah Islamiah or al-Qaeda, who are going to give people up to the authorities. They have done it already, and they will continue to do it, because they do not want their lives and the lives of their children destroyed. If those communities harbour people who would do us harm—we have already seen examples of that—then they will be part of our first line of defence. That is the key element that people misunderstand—the importance of people of the Muslim faith in our communities to the fight against terrorism. They are not a repository for terrorists. Terrorists might attempt to hide amongst them, but quite clearly it is in their interests and ours that they readily and quickly identify those people so that they cannot do us the main harm that they wish to do.

As I said at the outset, this is an important bill. It concerns our national security and indeed our local security. It covers a broader definition of a ‘thing’, so that ASIO can look at the backgrounds of people who might
have access to security sensitive ammonium nitrate and the other major explosives that could do us a great deal of harm. I will finish by underlying the importance of the point that the member for Brand made. You need to look in the unlikely places. You need to secure Australia continent wide to ensure that those people who might do us harm do not have—(Time expired)

Mr RUDDOCK (Berowra—Attorney-General) (6.53 p.m.)—in reply—Firstly, I thank the member for Barton, his colleagues and my colleagues, including the members for Hughes, Denison, Banks, La Trobe, Brand, Grey, Melbourne Ports and Blaxland, for their contributions in this debate on the Australian Security Intelligence Organisation Amendment Bill 2004. As I have been able, I have considered the comments of the members who have spoken. I might say that they did express a variety of views, which I suppose is to be expected in part. I thank the member for Blaxland, because I think he highlighted the complexities and the nature of the difficulties that we are dealing with.

From time to time I read comments, such as the fairly recent comments by the Commissioner of Police, that a terrorist attack in Australia is inevitable. I find that of very real concern. His formulation is not necessarily one that I have used. My view is that it is highly probable. But we need to do everything in our power to ensure that it does not happen. It is in that context that we are looking at a bill which amends the Australian Security Intelligence Organisation Act. This amendment bill deals with a fairly narrow range of matters relating to advice that might be given to state authorities in relation to people who will be able to handle a product that is capable of causing a significant explosion. In that context, we are looking at a very specific piece of legislation, but it has enabled people to speak fairly widely about a range of other matters. I will try to deal with some of those other matters—albeit it might have been thought that they were beyond the scope of this particular legislation.

The member for Barton referred to the Convention on the Marking of Plastic Explosives for the Purpose of Detection. That is an issue. It is one that the government has been very conscious of. We have been taking steps to accede to and to implement the MARPLEX convention, which is the 12th and final United Nations counter-terrorism instrument. The government’s approach has been set out in a national security document—a policy statement for the last election. It does require us—as I am sure honourable members know—to take certain steps to be able to assure the world community that, when we do accede to a convention, we are actually in a position to implement it; that is, unless we are ready to implement, we do not accede. Those steps that need to be taken—and working through them, particularly with the Department of Defence—have meant that there are a number of issues that have to be addressed.

In relation to the implementation of this decision, the member for Barton said that the overall approach to the licensing regime for ammonium nitrate had been ‘too leisurely’. It is important to recognise that this licensing regime involved very close liaison and agreement between all jurisdictions. The member for Banks in his comments understood the importance of that liaison and what it means. He said that he supported the way in which the legislation has been developed through a COAG consultative process. It is difficult and complex, and in this context the length of time should not be unexpected.

The regulation of ammonium nitrate has to be balanced against security needs and legitimate commercial activities. That is a step that we take in relation to all of the decisions that we have to take. It is about protect-
ing the life, the safety and the security of Australians and balancing it up with the need to do it in a way that has the least impact upon their civil liberties but still protects them. It is sometimes a hard balance to get. We need to carefully consider the various options to maximise the effectiveness and, in relation to this particular issue, with minimal cost to legitimate users. We need to consult with other Australian government agencies, with the states and with private industry. We consulted with all of those groups as well as overseas governments to benchmark best international practice. The consultation and policy development work was done as quickly as possible, bearing in mind that an effective and balanced outcome is better than a hasty response.

The regulation of dangerous goods and explosives, it needs to be understood, has been a state and territory responsibility. Presumably, if we were to seek to speed up that process and not involve the states, we would have to do it ourselves. That would mean duplicating arrangements that the states already have enacted and operate. All of the states have in place regulatory agencies for explosives and dangerous goods that enable them to quickly bring, for instance, ammonium nitrate, when it is dealt with, under control. These existing agencies will allow us to regulate ammonium nitrate nationally without a new Commonwealth structure. Most jurisdictions have legislation or are quickly introducing new legislation and regulations.

While I note that the opposition may be eager to see substantive change every time a new security challenge is posed, the government’s preference is to modify and improve existing arrangements—to build on those arrangements that are working rather than undermine them. If the Commonwealth had sought to regulate ammonium nitrate there would have been not only possible constitutional issues but also the need to create a new Commonwealth regulatory authority, which would have inevitably slowed the process down, not sped it up. Using existing state and territory regulatory authorities was, in the government’s view, the quickest way to implement a regulatory regime.

The member for Barton has raised concerns regarding maritime security and the member for Brand was enthusiastic in supporting him—and I should not have been surprised about that. The government has consistently taken a strong position on the matter of maritime security. The Maritime Transport Security Act 2003 establishes a security regime for the maritime industry in Australia, covering major ports—port facilities within these ports, Australian flagged ships of certain classes on interstate and international voyages and certain classes of foreign flagged ships on all voyages in Australian waters. Regulated cargo ships of 500 gross tonnage and upwards are required to have security certificates on board to verify that a security plan has been implemented for the ship. The members for Barton and Brand may wish to note that the certificate and other security related information are a pre-entry requirement into Australian ports for security regulated foreign flag vessels.

The information is required to be submitted 48 hours in advance so that risk profiling and compliance checking can be undertaken by the Office of Transport Security within the Department of Transport and Regional Services. If a ship is considered a risk, control measures may be taken, including denying the ship entry to an Australian port. It is not the case, as suggested by the member for Barton, that security regulated cargo ships containing ammonium nitrate can get deep into Australian ports before a cursory security assessment is undertaken. The government, of course, has committed further additional resources to the Office of Transport

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Security Operation Centre to enable its operation on a 24/7 basis. This was a result of a recently completed review of the maritime security policy settings.

Finally, I note that some speakers have referred to ammonium nitrate as having been used in the Bali attack—I have probably been guilty of that myself from time to time. On advice, I would like to clarify that this was not the case. Contrary to initial media reports, ammonium nitrate was not used in Bali. However, it had been stockpiled for planned attacks on Western interests in Singapore, including the Australian High Commission, in the year 2001. I understand it was also the product used in the Oklahoma bombing.

The Australian Security Intelligence Organisation Amendment Bill is an important step in protecting our national security. I welcome the opposition’s support for the bill, as it will expand and clarify the circumstances in which ASIO can furnish security assessments. In doing so, it will facilitate the full implementation of the nationwide licensing regime for ammonium nitrate. This regime will ensure that it is only accessible to persons who have demonstrated a legitimate need for the product, who are not of security concern and who will store and handle the product safely and securely. The amendments to the ASIO Act will ensure that ASIO can adequately perform its role under the scheme to furnish security assessments for activities carried out in relation to or involving ammonium nitrate and, at the same time, be sufficiently broad to cover issues that may arise in the future. In these ways, the bill will help ensure that the security assessment regime will continue to operate flexibly and effectively in our changing security environment.

I want to emphasise the importance of obtaining the passage of this legislation in this sitting week. We will conclude it tonight and it will go to another place. I hope the honourable member for Barton will be able to secure cooperation in another place so that this bill can be implemented. It is part of the assurance that we have given the states. It would be a tragedy to delay for a further period of time the implementation of this regime if we were not able to put these measures into effect. I thank the House for the support that has been foreshadowed and I look forward to the bill’s speedy passage.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr McCLELLAND (Barton) (7.05 p.m.)—by leave—I move amendments (1) to (3) as circulated in my name:

1. Item 1, page 3 (lines 1-20) omit the item, substitute the following item:

1. Section 35 (paragraph (a) of the definition of prescribed administrative action)

Repeal the paragraph, substitute:

(a) action that relates to or affects:

(i) access by a person to any information or place access to which is controlled or limited on security grounds; or

(ii) a person’s ability to perform an activity in relation to, or involving, a prescribed thing (other than information or a place) if that ability is controlled or limited on security grounds;

including action affecting the occupancy of any office or position under the Commonwealth or an authority of the Commonwealth or under a State or an authority of a State, or in the service of a Commonwealth contractor, the occupant of which has or may have any such access or ability;
(2) After item 1, page 3 (after line 20) insert the following item.

1A Section 35

Insert:

prescribed thing means a thing, including any substance that is prescribed by regulation under this Act.

(3) Item 3, page 3 (line 30) omit “a thing”, substitute “a prescribed thing”.

These are simple amendments. I will be brief. I raised this issue in my contribution to the second reading debate, as did the member for Denison. It simply goes to a question of definition. As currently framed, the proposed amendments to existing sections 35 and 39 add to ASIO’s power to provide security checks in respect of information or a place the term ‘thing (other than information or a place)’. We appreciate, as we acknowledged in our contributions, that that term is in turn restricted and limited by the existing wording in the legislation that the place, information or thing has to be controlled or limited on security grounds—in other words, referring to some other regulatory or legislative scheme of a state or territory or the Commonwealth. We recognise that at the outset. Nonetheless, we think ‘thing’ is obviously extremely wide in its construction. Certainly, it is far wider than ‘place’, which is arguably easier to define, and ‘information’ as determined with respect to national security again tends to be more readily defined.

Our amendment is simply to replace the words ‘a thing’ with the term ‘a prescribed thing’ and then to propose a new definition in paragraph 1A of section 35 which simply reads:

... prescribed thing means a thing, including any substance that is prescribed by regulation under this Act.

In doing that, our intention is, as the government’s intention is, to keep that very broad but to give the Attorney-General a very broad discretion to prescribe what a thing may be. ‘Thing’ could include a substance, whether it be ammonium nitrate, nuclear material or some other substance, and we say that the Attorney-General would still have a very broad discretion but that our change would retain some degree of parliamentary oversight through the disallowance process and would enable a debate—should either of the political parties decide it appropriate—to ensue following the listing of the particular substance or thing.

That is the intention of our amendment. Obviously it is relatively slight in its import and obviously we will not stand against the passage of the legislation, should our amendment be defeated. We put it forward in good faith, thinking that it actually improves the regime.

Mr RUDDOCK (Berowra—Attorney-General) (7.09 p.m.)—I thank the honourable member for his comments and his fore-shadowed approach to this matter. We will be dealing with some other legislation, and I am not churlish about these matters. If I think that there is an advantage to be gained by pursuing an amendment and that it will improve legislation, I will adopt it—I am a bowerbird. But certainly in relation to this matter I do not see good sense in supporting the amendment. As it was explained to me, we already issue assessments, and we do so in relation to ‘information’ and ‘places’. Those terms are pretty broad. They are not defined. To move an amendment to prescribe ‘thing’ would be adopting an approach that was not consistent with the rest of the legislation dealing with the provision of security assessments—and that is what we are dealing with.

I do not know whether anybody would be able to challenge any prosecution because of the way in which a security assessment was
given. It might be possible. I do not know. I see a lot of challenges to enactments in the present time. But I can tell you that once you started down the route of prescribing what ‘thing’ means there would be many implications. You would need regulations and, if we were going to require prescription, they would need to specifically cover every reference to ammonium nitrate under a state or territory legislative regime, with the potential for that enactment—that is, the Commonwealth regulations—to have to be amended every time a state or territory amended their own regulations. It would deny you the opportunity to be flexible—that is, to look at other situations when you wanted to provide security assessments. That is what it is about—providing security assessments—and it might relate to another product. It seems to me that we would want to have arrangements that were sufficiently flexible to allow us to be able to respond to a request when it arose.

I know that from time to time people believe that it is important that the parliament deal with every step that might need to be taken with every further initiative, but I think it is important to note that the amendments we have included in this bill are proactive. They are intended to be sufficiently broad to cover, to the extent that it is possible, issues that might arise in the future, such as a person’s ability to perform an activity in relation to or involving other hazardous materials. The current wording of the amendment in our view strikes the appropriate balance. We think it is vital to be appropriately flexible within the present security environment and, just as we have a wide approach in relation to information and place, we believe that an appropriate response to ‘thing’ would be to leave it sufficiently open so that we do not limit the rest of the definition, which requires a person’s ability to perform an activity in relation to or involving a thing to be controlled or limited on security grounds.

We have looked very closely at the proposal, but on its merits we do not believe it would be an appropriate response in this instance. I do not discourage the member from proposing amendments from time to time. I am quite happy to look at them in other fields, but we do not think it is appropriate here.

Mr McCLELLAND (Barton) (7.13 p.m.)—I take on board those comments. Those comments were made in good faith. I recognise that. I recognise the Attorney-General’s intention to keep the import and the effect of the legislation broad. Nonetheless, we saw some desirability in enabling parliamentary oversight of what clearly is an extremely broad definition. We will take on board the Attorney-General’s comments before the legislation arrives in the Senate, and we may have some further discussions, but I thank the Attorney-General for his response.

Question negatived.
Bill agreed to.

Third Reading
Mr RUDDOCK (Berowra—Attorney-General) (7.14 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

COMMITTEES
Australian Crime Commission Committee
Membership
The DEPUTY SPEAKER (Hon. B.K. Bishop)—Mr Speaker has received a message from the Senate informing the House that Senator McGauran has been discharged from the Parliamentary Joint Committee on the Australian Crime Commission and that Senator Santoro has been appointed a member of the committee.

CHAMBER
These bills give effect to key elements of the package of measures the Howard government announced for the textile, clothing and footwear—TCF—sector in November 2003. The Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004, known as the SIP bill, extends the TCF Strategic Investment Program for a further 10 years effective from 1 January 2005. Under this program, $575 million will be provided to support eligible industry investments and R&D expenditure. The SIP bill also provides for the establishment of a $25 million TCF small business program. The Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 provides for further TCF tariff reductions in 2010 and 2015.

The substance of the bills currently before the House was first introduced by the government on 16 June this year. On 24 June, both bills were passed by the House after a Labor amendment to split the bills was defeated. On the previous day, the bills had been referred by the Senate to the Senate Economics Legislation Committee. That committee tabled its report on 30 August, including minority reports from Labor and Democrat senators. The 2004 federal election was called before the Senate could consider either the bills or the report. These bills should be seen as a single package. Legislatively, they are linked through the commencement clause in the SIP bill.

Before addressing the bills in detail, I propose to say something about the recent history of the TCF industry and the competitive challenges it will confront in the future. The TCF industry produces a wide variety of goods, including basic yarns and textiles, carpets, clothing, footwear and sophisticated technical textiles. The profile of TCF firms is equally diverse, ranging from large factories employing hundreds of people to a multitude of small- to medium-sized enterprises. While estimates vary, TCF firms employ at least 58,000 people in the formal sector and another 25,000 in the outworking industry. The industry’s revenue in 2000-01 was over $9 billion.

According to the Productivity Commission, the TCF industry accounted for four per cent of the value added and six per cent of the overall employment in Australia’s manufacturing sector in 2000-01. The TCF industry’s share in the broader economy is smaller, with TCF firms accounting for 0.4 per cent of value added in the economy as a whole in 2000-01 and 0.6 per cent of overall employment. TCF firms make a substantial contribution to a number of regional economic centres, including Geelong, Ballarat and Bendigo in Victoria, Albury in New South Wales, Devonport in Tasmania and the Gold Coast in Queensland. Many TCF manufacturers can also be found in our major capital cities.

In the decades following World War II, steep protective barriers and other forms of industry support shielded the TCF industry from international competition. These poli-
cies skewed and distorted the development of the industry, encouraging an inward-looking orientation and a fragmented, high-cost and ultimately unsustainable industry structure. Since the early 1970s, Australia’s TCF industry has been progressively exposed to greater competition. Labor governments have played a decisive role in this process. In July 1973, the Whitlam government reduced tariffs by 25 per cent across the board. In 1987, the Hawke government announced the Button plan, which foreshadowed the removal of TCF quotas and provided adjustment assistance for affected workers. In March 1991, the Hawke-Keating government announced further tariff reductions, including the phasing down of TCF tariffs to a maximum of 25 per cent by 2000.

Change in the TCF industry has also been driven by market forces. Profound changes in the global economy, and in particular the emergence of low-cost TCF manufacturers in East Asia, have reshaped the competitive environment faced by local producers, exposing them to greater competition at any given level of tariff protection. Shifting consumer preferences and advances in production technology have rendered many traditional production techniques and product lines obsolete.

Responses within the TCF industry to these policy changes and market trends have not been uniform. Some TCF firms have adapted well, building a strong competitive advantage in niche areas, including some technical textiles. Others have struggled in the face of imports from low-cost competitors. In overall terms, there has been some rationalisation in the industry. Between 1996-97 and 2000-01, TCF employment and production levels fell and TCF imports secured an increased share of the local market. Over the same period, however, TCF firms lifted productivity levels and increased exports, albeit from a low base. These headline figures mask widely divergent trends within the diverse TCF industry. Over the period covered by the figures I have just quoted, Australian carpet makers, for example, performed strongly, increasing employment by 14 per cent, raising productivity by over 19 per cent and lifting exports by over 30 per cent, and Australian leather manufacturers successfully tapped overseas markets, increasing exports by 17 per cent to $570 million. High levels of protection have not inoculated the industry from employment reductions and greater import competition.

Over the period 1997-2001, Australian clothing manufacturers—who benefit from by far the highest tariffs in the sector—reduced employment by over one-third and lost market share to imports. While the TCF industry has plainly been through a difficult period of adjustment, there can be no turning back to its highly protected, high-cost and uncompetitive past. The key to the industry’s survival and prosperity lies in investment and innovation, in high value-added production and niche marketing, and in phased adjustment away from non-competitive or uncompetitive activities. This is the only way to ensure secure, sustainable jobs for the thousands of Australians employed by TCF firms.

In November 2003, the Howard government announced a $747 million package of measures for the TCF industry. A key component of this package was the extension of the strategic investment program for a further 10 years, effective from 1 January 2005. Under this new version of the SIP, the number of grant types will be reduced from five to two, with subsidies to be provided for capital investment, known as type 1 grants and representing a 40 per cent subsidy, and for research and development expenditure, known as type 2 grants and representing an 80 per cent subsidy. Other key components were a $25 million TCF small business program for companies that cannot meet the
$200,000 threshold for strategic investment program claims; further reductions in TCF tariffs in 2010 to 2015, with tariffs applying to all TCF products, except clothing and finished textiles, falling to five per cent, the general manufacturing rate, in 2010; tariffs on clothing and finished textiles to fall to 10 per cent in 2010 and five per cent in 2015; and a $50 million structural adjustment program to assist displaced workers and encourage community restructuring.

The bills now before the House implement the first three elements of this package: the extension of the SIP, the establishment of the TCF small business program, and the tariff reductions in 2010 and 2015. The government’s TCF assistance package provides substantial support for needed investment and innovation within the industry. This support is targeted at those parts of the TCF industry which face the largest adjustment burden. Manufacturers of leather and technical textile products—which already face tariffs of five per cent—will not be eligible for the type 2 R&D subsidies. After 2010, strategic investment program support will be limited to makers of clothing and finished textiles—the only part of the sector to face further tariff reductions in 2015. It is worth noting that the government’s proposed further TCF tariff reductions will not take place until 2010, giving affected firms time to prepare and adjust.

For most of the industry, these tariff cuts will not be dramatic. Under already existing legislation, tariffs for all TCF producers—save for makers of clothing and finished textiles—will fall to between five and 10 per cent on 1 January 2005. While tariffs for clothing and finished textiles remain substantially higher, this part of the industry is given longer to adjust—until 2015—to reach the target tariff rate of five per cent. Tariff reductions inevitably entail adjustment pressures for local TCF firms. It is increasingly widely recognised, however, that they will not be the main source of competitive pressure these firms face in coming decades. The short- to medium-term outlook for the TCF industry is being shaped by three, non-tariff related, factors: firstly, the appreciation of the Australian dollar; secondly, regional and global trade liberalisation trends, including a possible free trade agreement with China; and, thirdly, non-tariff barriers affecting Australian TCF exports.

The sustained appreciation of the Australian dollar against its United States counterpart and the trade weighted index in recent years has substantially lowered the price of TCF imports, exposing local producers to increased competition. In early January 2000, the date the current tariff pause took effect, the Australian dollar was trading at under US66c and was valued at 56.5 against the trade weighted index. At 4 p.m. on 25 November 2004, the Australian dollar had reached over US78.6c—an appreciation of almost 20 per cent. The dollar’s value against the trade weighted index had risen to 64.4—an appreciation of 14 per cent. The same trend has been apparent over the past year. Between 27 November 2003—the day the Howard government announced its TCF assistance package—and 25 November 2004, the Australian dollar appreciated by 6.2 per cent against the US dollar and six per cent against the trade weighted index—roughly equivalent to a five per cent reduction in tariffs. This sustained appreciation of the Australian dollar has taken a heavy toll on Australia’s manufacturing industries, for firms facing import competition and for those looking to break into overseas markets. Research conducted by the Australian Industry Group, for example, has estimated that for every 1c rise in the Australian dollar against the US dollar, export earnings for manufacturers are reduced by around $210 million.
Labor is strongly committed to further trade liberalisation through the World Trade Organisation Doha Round, APEC and free trade agreements, which are in the national interest and help meet our multilateral objectives. These initiatives will win additional markets for our exporters, generating sustainable jobs and growth. They will also bring adjustment pressures for local industry, including the TCF industry. Against this background of trade liberalisation and in an increasingly integrated and competitive global economy, it is not feasible to hold levels of protection into the future at existing levels; nor is it in the national interest. The prospect of a free trade agreement with China poses a particular challenge for the TCF industry. The government has announced that it will conduct a feasibility study on a possible free trade agreement with China, a country that accounted for 26 per cent of Australia’s textile imports and over 70 per cent of Australia’s clothing imports in 2003-04. An Australia-China free trade agreement will grant Chinese imports preferential access to Australian markets, meaning that Australia’s existing most-favoured nation tariff rates will no longer apply.

A possible free trade agreement between ASEAN—the Association of South-East Asian Nations—and Australia and New Zealand will also result in preferential tariff reductions below most-favoured nation tariff rates. Labor welcomes the announcement that ASEAN and the governments of Australia and New Zealand have agreed to negotiate a free trade agreement. This proposal was first floated by the Keating Labor government in 1994. A comprehensive ASEAN-CER free trade agreement will open up a market of 545 million people to Australian exporters. At the same time, it will intensify the adjustment pressures that less competitive parts of the TCF industry—and the economy as a whole—face.

The future of Australia’s TCF industry depends in no small part on tapping major overseas markets, including the United States. Non-tariff barriers are looming as a major barrier to Australia’s TCF exports. In the Australia-US free trade agreement, for example, the so-called yarn forward rule has locked Australian TCF firms out of the US market. This rule limits access to textiles incorporating Australian-produced yarn, an activity traditionally done offshore.

Non-tariff issues, including China’s status as a market economy and rules of origin, will be a focus in any consideration of an Australia-China free trade agreement. They will also come up in negotiations for an ASEAN-CER free trade agreement. The competitive opportunities and challenges Australia’s TCF producers currently face and will have to overcome in the future extend well beyond TCF tariffs. An exclusive focus on these tariffs is, in my view, no longer realistic.

Labor supports passage of the government’s TCF legislative package currently before the House. Passage of the strategic investment program bill—which, as I have pointed out, extends the strategic investment program for a further 10 years effective from 1 January 2005—will deliver much-needed certainty for the TCF industry. With this legislation in place, TCF firms throughout Australia can plan, finetune and implement their investment strategies with confidence.

As I mentioned earlier, further TCF tariff reductions in 2010 and 2015 are part of the government’s TCF legislative package. On 15 November this year, I wrote to the Minister for Industry, Tourism and Resources, Mr Macfarlane, suggesting that the government split its two TCF bills. This would have allowed the time-sensitive strategic investment program bill to be passed before the end of
the year and consideration of the TCF tariff bill to take place in 2005. At this time, I met with representatives of the TCF industry. Not surprisingly, these representatives were keen for the legislative uncertainty surrounding the extension of the SIP to come to an end. During subsequent discussions with the minister, he confirmed that the government would not accept Labor’s proposal to split the TCF bills. The minister subsequently indicated that the government would agree to Labor’s proposal that a review of the TCF industry be conducted in 2008.

Some of those opposed to Labor’s position on this legislative package have drawn attention to language adopted at the ALP national conference in January 2004, which called for TCF tariffs to be ‘held at current levels pending a review to be undertaken by a new Labor government’ and flagged Labor’s opposition to ‘the government’s TCF legislation to be introduced … prior to the next election which further reduces tariffs’. The simple yet powerful point I would make about this language is that it was premised on Labor winning the 2004 federal election. With this election regrettably lost, we have rethought our approach.

In particular, we have confronted two unarguable facts. Firstly, with the government securing a majority in the Senate from 1 July 2005, further tariff reductions for the TCF industry will be an inevitable legislative consequence of this parliament. Secondly, failure to pass the government’s TCF legislative package before the end of this year will delay extension of the SIP, denying the TCF industry much-needed certainty and disrupting investment plans predicated on SIP assistance.

An important outcome of my discussions with the minister, as mentioned above, was his agreement to hold a review of the TCF industry in 2008, if in government. In a letter to me dated 29 November, Minister Macfarlane states:

The Government is prepared to agree to a Review on the operational effectiveness of the TCF Post-2005 Assistance Package in 2008 in return for the Australian Labor Party’s support for the passage of these Bills.

The Review would consider the effectiveness of the programs in assisting the industry to improve its competitive position and would take into account changes in the global competitive conditions at that time. It would not extend to the Government’s program of tariff reductions or the level of financial assistance made available to the industry as part of the TCF post-2005 Assistance Package.

Given the lack of support from the industry and the Australian Labor Party for this Review being conducted by the Productivity Commission, I am proposing that the Review be undertaken by government officials, either from my portfolio or from relevant Government Departments.

While this letter is more than enough for me because I regard the minister as a man of his word, I expect the minister will give an undertaking to the House that this review will take place along the lines set out in the letter I have received from him. The effect of this commitment from the minister is that a review of the TCF industry is now a bipartisan commitment. On the basis that Labor wins the next election, such a review will also take place. Labor is strongly supportive of the proposed 2008 review.

This review will be well timed, taking place after the extended SIP has been in operation for three years but before the 2010 round of tariff reductions come into effect. The review represents an opportunity to take stock of the competitive pressures the TCF industry will face in coming years, including from the state of the Australian dollar, the expected ASEAN-CER free trade agreement and a possible free trade agreement with China. It will also enable the government’s TCF assistance package to be carefully scru-
tinised, including elements of the package which Labor has reservations about.

I will single out two aspects of the government’s assistance package for particular attention here: first, the 10-year $50 million structural adjustment program to assist displaced workers and encourage industry restructuring, and, second, the exclusion of leather and technical textile firms from R&D grants under the SIP. The $50 million quantum of assistance provided under the structural adjustment program is geared to the government’s estimates of expected job losses in the TCF industry. According to the government, the structural adjustment program supplements assistance already available through the Job Network and, in addition, provides customised support for retrenched TCF workers. The program replaces the TCF Labour Adjustment Program, which operated between 1990 and 1996.

Serious questions have been raised about the structural adjustment program’s size and effectiveness. In submissions to the Senate Economics Committee, the Victorian state government and the City of Geelong, for example, expressed concerns that the structural adjustment program, which over its 10-year life will provide an average of $5 million per annum, might not be adequate to meet expected demands for this assistance. The Textile Clothing and Footwear Union of Australia has also been critical of the program, arguing that it has not been properly consulted on this scheme.

During his discussions with me on the government’s TCF legislative package, Minister Macfarlane indicated that he would be happy to discuss the design and implementation of TCF labour adjustment measures with the relevant unions. He said that he had an ‘open door’ to the unions and would be happy to discuss any concerns they might have about these measures. Given his commitment, I would urge Minister Macfarlane to meet with the TCF Union of Australia—and other interested unions—as soon as possible.

Another part of the government’s TCF assistance package which has attracted critical attention is its exclusion of leather and technical textile producers from research and development grants under the extended SIP. This matter was raised by Labor senators in the Senate Economics Legislation Committee report on the government’s TCF bills. The government’s rationale for this exclusion is that SIP support is intended for those parts of the TCF industry facing the most serious adjustment pressures. Leather and technical textile firms, which are already subject to five per cent tariffs, do not, in the government’s view, fall into this category. The leather and technical textile industry associations—the Technical Textiles and Nonwoven Association and the Australian Association of Leather Industries—have disputed this, arguing that their members must continue to invest in research and development, and therefore access the type 2 grants, in order to be internationally competitive. This matter, together with the effectiveness of the structural adjustment program for displaced workers, should be examined carefully in the 2008 TCF review.

The competitive environment facing the TCF industry has changed markedly over recent decades. The pace and scale of change will only intensify in the coming years as globalisation deepens, China and India continue their emergence as major economic powers, consumer preferences evolve and technology is transformed. The survival and future health of Australia’s TCF industry depends on investment, innovation, a highly skilled work force and international competitiveness. If there is one overarching lesson from 20th century economic history, it is that protectionism is not a sustainable industry...
strategy—and not an effective way to guarantee jobs.

Australia’s economic success in recent decades has been built on openness to global trade and investment flows, greater competition in local markets and the emergence of a more innovative, entrepreneurial and efficient business culture. The Hawke and Keating governments’ economic reforms played a decisive role in fostering these changes. The TCF industry and its employees have taken significant strides in meeting the restructuring challenges set by these Labor governments. The Howard government’s TCF assistance package provides continued support for the industry’s efforts and for its workers’ efforts. The success or failure of this package will hinge on its capacity to foster a competitive, efficient and dynamic TCF industry—an industry able to offer sustainable jobs to the thousands of Australians who work in its factories and workshops. Labor supports the passage of the two TCF bills before the House, which will ensure certainty for the TCF industry and foster investment in sustainable jobs, and Labor strongly supports the proposed TCF review in 2008. I commend the bills to the House.

Mr RIPOLL (Oxley) (7.41 p.m.)—I rise to speak on the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 and the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004. I want to make it perfectly clear to the House and all members that, as we have just heard from the shadow minister, the member for Perth, Labor does support this legislative package on the basis that the government has agreed to Labor’s insistence on a review of the TCF sector in 2008. While I am at that juncture, can I also just make a couple of comments. I believe that these two bills are extremely important bills. They are important to the future of Australia and the economic growth of Australia. They are very important to the thousands of workers that are employed in that industry.

Can I say how pleased I am that, on this side of the House, Labor has quite a number of speakers who are prepared to speak on these issues and put these matters on the public record. Can I say also how disappointed I am that only one government member has actually nominated to speak on these bills and that that one government member has not showed up. While I am prepared to take up the slack and speak in lieu of that member by taking my turn early, I just want to put on the record how disappointed I am that not one government member has bothered to come into this House and speak on these very important bills. It shows a lack of commitment to this industry; it shows a lack of commitment to an important part of our economy that not one government member would take the time out from their, I am sure, very busy schedule tonight to come and actually speak on these bills.

Labor does support this legislative package because it understands that its passage through the parliament before the end of the year will deliver much-needed certainty to the TCF industry. I have spoken to a number of people within the industry, in particular to the TCF Union in Queensland, to ask them first hand about their views not only in terms of this package and Labor’s support of the package but about the future of the industry and the future of the workers and their families.

Of course, as most in this House would know, Labor’s preference was to deal with these important pieces of legislation separately, but that offer was refused by the government. I have to say again that I am disappointed. While we will support the package as presented by the government, I am disappointed that the government has, typically,
not allowed us to separate the two bills. That would have been my preference. But, as we have seen in the past, what the government does is put together bills—one bill which is extremely important to the certainty and future of an industry, organisation or law is bundled up with something that Labor finds difficult to deal with and the government just says, ‘You can take it or leave it. It’s all or nothing.’ I believe that is not the way to operate in the House and not the way to deal with very important bills and very important industries.

The customs tariff bill will do a number of things. In particular, it will reduce the general rate of customs duty on textile, clothing and footwear items from 1 January 2010 and 1 January 2015. The scheduled reductions will mean that the general rate of customs duty applicable to all TCF goods, with the exception of clothing and finished textiles, will be five per cent from 1 January 2010. The general rate of customs duty on these other items will be reduced to five per cent from 1 January 2015. By 2015, the tariff rates for all TCF items will be five per cent. This brings the tariff rates in line with our APEC commitments.

The TCF Strategic Investment Program Amendment (Post-2005 Scheme) Bill will simplify the current industry support program available to TCF manufacturers and extend it for a further five years, or 10 years for the TCF entities undertaking clothing and finished textile activities. It will also establish the TCF small business fund. The SIP, as it is commonly referred to, provides $575 million for industry investment and innovation. The SIP bill also provides for the establishment of a $25 million TCF small business program.

At this point I want to place a couple of remarks on the record. I welcome, of course, this much-needed money to provide for investment, innovation, retooling, training and a whole range of initiatives that are very important to this industry. But I note that the majority of that money will be going to big business—really big business—and that only $25 million will be allocated to a small business program. I want to remind the minister responsible that if he has a close look at the industry he will see that, while there are large manufacturers and large parts to the industry which employ quite a number of people, there are also hundreds, if not thousands, of much smaller enterprises that will find it much more difficult to reinvest, to restructure and to cope with the changes that these two bills will bring forward. I ask the minister to take a closer look at the legislation and re-examine the impact it will have on the industry. That is why our request that there be a full review in 2008 is important, and I am glad that the government has agreed to it. Having spoken to people in the industry, my view is that there will need to be some further adjustment, and it will be at the small to medium enterprise level. Those businesses will not have the capacity or the capital available to them to make the strategic changes and the innovations needed to keep up with the industry.

Labor supports the government’s legislative package which extends the TCF strategic investment program—the SIP—for a further 10 years, effective from 1 January 2005. It is important to give the industry the necessary time to adjust to change. While some may argue that the industry has known that change has been coming for quite some time, it is only fair to say that until it is actually legislated for and we have actually got a package in place no-one can really plan ahead or make the necessary changes—the money and the legislative changes are not there. It is important—and this is recognised in the time provided for in the bill—that we allow the industry time to adjust, time to in-
novate, time to reinvest and time to ensure that it has a future in Australia and can continue to be an important part of our economy.

Passage of the legislative package by the parliament before the end of the year will deliver much-needed certainty, as I have said, for the industry as a whole. As I have also already said, Labor has insisted on, and the government has agreed that there will be an undertaking for, a review of this legislation in 2008. This review will take stock of the competitive pressures the TCF industry is facing, including global and regional market trends and the impact of trade liberalisation initiatives, giving thought particularly to free trade agreements currently being finalised or that will be dealt with in the future. Whether it is an ASEAN free trade agreement or a free trade agreement with the US, Thailand, China or any other of our regional neighbours, it is important to recognise those agreements when we deal with this industry and these bills.

At present Australia’s domestic market is small compared to the global TCF market. It is absorbing increasingly high levels of TCF imports. The projected tariff reductions in January 2010 and January 2015 will bring additional adjustment pressures to bear on the textile, clothing and footwear industry, which is already undergoing significant change and restructuring. It is important to note that this industry has taken its own initiatives to move forward with the sorts of changes it needs to effect. This is not an industry living in the past; this is an industry where very hard workers, companies, organisations and unions are all involved, with their main goal being the future survival, growth and certainty of their industry—jobs for the workers and, of course, exports for all Australians and for Australian industry. While the measures that they have taken and the measures in these bills will provide certainty for the industry so they can continue to move forward, it will take a number of years to fully comprehend the parameters for future business development. Not only will the review in 2008 be important but so perhaps will be looking at further strategic investment packages, readjustments and other methods with which we can continue to support this vital industry in the future.

The TCF industry has demonstrated its preparedness to reduce its reliance on the domestic market through increasing the current levels of TCF exports. Mr Deputy Speaker Wilkie, you may be surprised, as may others, that that is currently worth a quite staggering $1 billion annually, a figure which surprised me, but one I am very pleased about and I am sure can grow, year on year. Over the past 10 years these exports have doubled in real terms, which I think is a real positive for the industry and shows the sort of effort the industry itself has put into its future and the sort of work that has been done by the workers and the unions to support that to make sure it has a growth future. However, that future growth of exports will not occur without further trade liberalisation by Australia’s trading partners in the region and elsewhere.

The bills will provide investment opportunities through subsidies for research and development, something which I am personally very committed to and think is exceptionally important and—I add as a side note—something which this government has not paid full attention to and in the past has reduced the amount of funding to. It is time that the government not only recognises research and development within these bills but recognises it more broadly within the Australian business environment. These bills will also provide for subsidies for capital investment, which, as I mentioned earlier, is important. It will be particularly important for large business, but I think this is another area where we can really help the small to
medium enterprises that may not have the necessary capital in the first place. In that area there needs to be a bit more flexibility to allow the smaller enterprises to fully enjoy the investment strategies these bills provide.

The TCF industry produces a wide variety of goods, including basic yarn textiles, carpets, clothing and footwear as well as sophisticated technical textiles. The profile of TCF firms ranges from large factories employing hundreds of people to a multitude of small to medium enterprises, sometimes employing just a few people—for example, mum and dad businesses and family based businesses. While estimates vary, TCF firms employ at least 58,000 people in the formal sector and about another 25,000-odd outworkers. The industry’s revenues in 2000-01 were over $9 billion.

This is a significant industry that needs to be treated seriously and have the right sorts of policy frameworks and investment from government to ensure that it continues to have a bright future. According to the Productivity Commission, the TCF industry accounted for four per cent of value added and six per cent of overall employment in Australia’s manufacturing sector in 2000-01. While industries do go through change and sometimes change is very painful, this is an industry that is contributing positively. It is an industry that is in a real sense doing it for itself and making sure that it survives well into the future.

I think it is important to put on the record that this industry has been changing quite a bit. In fact, it has been under heavy pressure from foreign competitors for several decades. In response to that pressure, successive federal governments initially increased tariffs and introduced quotas on the quantities of TCF that could be imported and so forth. But, despite protection rates of up to 200 per cent at times on specific textile, clothing and footwear items, job losses continued. Between the early seventies and the mid-1980s, TCF employment in Australia declined from around 175,000 to around 117,000, and a further loss of 58,000 jobs continues that trend, according to the ABS Labour Force Survey. In 1987 Labor introduced a TCF industry plan called the Button plan. It was designed to ease the burden of adjustment on vulnerable workers and particularly to help them reorient potentially viable parts of the industry towards high-value exports and import replacement. These sorts of programs have resulted in net export growth and continued employment in a viable industry.

I think it is very important to recognise that a range of measures have been designed to try and protect the industry and workers. They have not stemmed the loss of jobs in that industry. Therefore, I think this package moves in the right direction. It will reduce tariffs, which will involve some pain for the industry and, more than likely, some job losses in certain areas, but I am heartened by the data that I am reading and from talking to people in the industry that, while in some particular parts of the industry job losses are being experienced, they are being picked up in other parts of the industry where there is jobs growth. I think that is the positive outcome of looking to the future, reinvesting in that industry and retraining people—giving them the ability to have a future.

Under a lot of pressure from Labor, the Howard government implemented a TCF tariff freeze back in 2000. Tariffs were legislated to remain at 2000 levels until 2005. That is why we are here today. From 1 January 2005 tariffs are legislated to fall from 25 per cent to 17½ per cent on clothing, from 15 per cent to 10 per cent on footwear, cotton sheeting and carpets, and from 10 per cent to five per cent on sleeping bags and table linen. The dollars being put back into the industry through the strategic investment
program form part of this government’s response to the 1997 Industry Commission inquiry into the TCF industry. It really follows through from Labor’s reforms and commitment to seeing through a proper investment strategy and future for this industry. What I and Labor see as the real future—and it is a good future—is high-value, high-end TCF products in an industry where we constantly innovate in the form of new product line designs, new production techniques and new ordering and delivery systems. These are the things that Australia is good at. Those innovative processes, innovative employees and, I add, innovative unions that are prepared to work with the industry, employers, the organisations and the workers will actually make this all happen. You cannot take it in isolation.

I see that a government member has finally come into the House to speak on this legislation. I am very happy about that. I am sure we will get the response that unions always get in the road and so forth, but if they were actually to stop and look then they would see that unions have been working hand-in-hand with the industry to try and make sure that the industry has a future for workers—for people to gain jobs. There is a good history of unions working very hard to ensure that the industries they are involved in do not disappear. What we are talking about is world’s best practice: encouraging innovation skills development, working hard to achieve world-class efficiency and, in particular, giving workers and the industries every opportunity to innovate and raise their own skill levels and techniques.

It certainly should not be the case in the TCF industry—and I make this point very strongly—where for Australia it becomes a race to the bottom in competing for wages. If it becomes that, we will never win. We cannot compete on wages. There is no point even going down that path and talking about it because, in a head-to-head race, when it comes to wages we are not even in the ballpark. We are not in the game at all. It has to be about innovation, reskilling and providing the right legislative framework and support from government to ensure that this vital industry survives and grows. It is about more than just survival. I think that the key underpinning of what Labor is on about regarding these bills is growth, not just survival. Labor has always said that it will vigorously pursue improved market access for Australian textile, clothing and footwear exports. I believe this is a critical part of the future of this industry. By the same token, where job losses are experienced I think it is important that there is retraining and reskilling and that people can move within that industry to other sectors which are experiencing growth.

There is quite a bit of interest in this industry locally in my electorate. Quite a few constituents of mine are employed directly and indirectly in the TCF industry, as would be the case for many members across this House. I think if members spent some time talking to the people, talking to the unions—the people who are actually involved on a day-to-day basis with the workings of the industry—they might get a slightly different understanding and a slightly different view as to what these people are trying to do. They are not about halting progress; they are not about trying to slow down change. What the unions, the workers and even the industries are about is making sure that they have a life—making sure that they have jobs to go back to. We do not want to see a government be heavy-handed with an industry, forcing it into a position where it does not have an adequate investment plan or time frame or where it does not have the sort of support it needs from government to make sure that it can survive.

In conclusion, the Labor Party do support investment in the TCF industry. We also
support investment in the workers. We believe in the industry, the unions and everyone involved working hand in hand. We will always support the modernising and development of this industry—and other industries—because we want to see it grow into the future. We particularly want to see it grow its exports and contribute to the Australian economy. The Labor Party support certainty for workers and for this industry, and we welcome it by the passage of these bills.

Ms PANOPoulos (Indi) (8.01 p.m.)—I welcome the opportunity to speak on the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004, debated in cognate with the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004. My comments on these bills will be brief. I have spoken on many occasions on the TCF industry and on these bills. Backflips in politics are often welcome, and this is one such occasion. I am very pleased the shadow minister for industry, infrastructure and industrial relations has taken the Labor Party caucus down this path. It would not have been an easy task at all.

Regrettably, the Labor Party went to the last election with one of the most retrograde industry policies affecting the TCF sector ever. As part of being able to afford their tax and family policy, the Labor Party slowed the rate of tariff reductions as they impacted on the TCF sector. This seemed strange for a political party in the modern era, especially one with a leader who had advocated a ‘new politics’ and who had previously opined that ‘tariffs are the economic equivalent of racism’. Even more surprising was the Labor Party’s refusal to support the tariff adjustments in 2005—even though they supported them in 1999. This so-called savings measure contained in the ALP’s tax and family policy essentially amounted to a $576 million tax on consumers.

The Labor Party of old at least acknowledged the difficulties facing the TCF sectors. They did not do much about them—they ruthlessly slashed the top rate of tariffs from 55 per cent to 25 per cent over 10 years—but the days of John Button formulating industry policy are long gone. The coalition government in the last eight years has proven to be the TCF industry’s greatest friend.

Those in the Labor caucus who opposed the gutsy decision of the shadow minister for industry, infrastructure and industrial relations to finally come on board and support the government’s measures should refer to the comments of Bruck Textiles CEO, Alan Williamson. The months of dithering, indecision and stalling from the Labor Party and its former industry spokesman, Senator Carr, clearly had an effect on the industry. Mr Williamson said, ‘We have been caught in political game playing and I ask you: what has been achieved? Whilst the Senate inquiry stalled the legislation, there have been further downturns in employment in the sector—and the delay was so futile in the end. If there are further delays it will be catastrophic for the industry.’ As Bruck Textiles are one of the largest employers in my electorate, I obviously like to hear their views on the government’s TCF industry approach. Mr Williamson and other large players in the TCF industry were appalled at the reality that the industry was being damaged more and more through the inability to prepare for the future, whilst the Labor Party played politics with people’s livelihoods and their jobs.

Labor seemed to be unable to make up its mind on the issue of assistance to the TCF industry and tariff policy. The member for Melbourne a few years ago said: ‘Australian manufacturing needs creative assistance from government, not the restoration of the
high tariff walls of the past.’ The Leader of the Opposition has previously claimed that ‘it is only Labor that opposes tariffs on the working people’, whilst only last year the Labor Party’s former industry spokesman, Senator Carr, individually mailed constituents in my electorate imploring them to fill out a postcard leaflet and send it to the Prime Minister in support of the freezing of TCF tariffs, even though this ideal had been achieved on a five-yearly basis by this government.

So while Senator Carr was advocating a reinstitution of the tariff barriers of old—or, at the very least, a tariff slowdown that would have made the WTO tariff withdrawal agenda look swift—his colleagues had to go to an election with a policy that they would not have dreamt of decades ago. The reality is that, whether we are economists or union leaders, a tariff of itself does not create, protect or nurture a single job in the TCF industry. The major players in the industry have come to terms with this fact, but the Labor Party during the election campaign seemed oblivious to it.

What is required is the very policy aim behind this legislation: to create and develop TCF manufacturing in Australia that is both viable and internationally competitive, where the industry stands on its own two feet and holds its head up high amongst the other major world players. Too often the TCF sector has been arrogantly derided as a sunset industry. Those who presume such a thing—namely, the TCF unions—simply show that they are happy to look down on their workers and are chronically incapable of giving the government assistance in dealing with workers within their industry.

The measures contained in this legislation were announced on 27 November 2003—more than a year ago. The package represents a long-term plan for the TCF industry. The core points of this announcement contained in this legislation include a five-year pause on tariff reductions. I have spoken on a number of occasions in this place on the provisions contained in these bills and I will not go over old ground. Needless to say, I look forward to seeing them bring direct dividends to the firms and the workers in my electorate from 1 July 2005. Firms facing the greatest level of structural adjustment will receive the most support. Most importantly, this package is about offering long-term certainty to the TCF industry. The industry can be assured that those on this side of the House value the TCF sector’s contribution to the local and international economy.

Significant challenges face the industry, but if the innovation displayed by the firms in my electorate, such as Bruck Textiles and Australian Country Spinners, is continued and imitated by others around the country then there is a very bright future ahead for TCF firms and their workers. These firms have to do the hard yards with brains and innovation, not brawn and the revival of tariff walls. They deserve the government’s understanding and support and the firms and the workers can be assured that this government will not let them down.

I once again commend the Labor Party for coming to this position—it is belated, but it is welcome. Hopefully it is a sign of a different attitude the opposition will have in the 41st Parliament, one of supporting constructive measures for Australian industry and Australian workers. With this support in mind, I commend the bills to the House.

Mr GAVAN O’CONNOR (Corio) (8.08 p.m.)—The Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 give effect to the government’s No-
November 2003 assistance package decision for these industries. As the public record will show, I have spoken many times in this House in relation to assistance measures being proposed for the TCF sector and proposed future tariff reductions in these industries at this time. It is no secret to this House or to my caucus colleagues that I have consistently argued in support of the former and against the latter on the floor of this House, on the floor of the caucus, in the shadow ministry and in the public arena. In doing so, I have had the support of TCF workers in Corio, the city of Geelong, the Geelong community itself and certain textile, clothing and footwear manufacturers in our region concerned about their future.

The Geelong community has taken a strong position on the need for further assistance to TCF firms to help them face increasing competitive pressures and on the need to halt further tariff reductions scheduled for 2010 and to undertake a review of the industries’ competitive position in 2008, including an assessment of the impact of non-tariff barriers placed in the way of our TCF exporters by our competitors. Indeed, I have sponsored delegations of community leaders from Geelong over many years, people who have come to the national capital to lobby on this issue.

My most recent contribution to this debate on these bills was made in this House on 23 June 2004. In that debate, I commended the government’s extension of the Strategic Investment Program, the SIP, in particular the simplification of the scheme and its application processes, as well as provisions to subsidise capital expenditure and innovation. Geelong firms have accessed the SIP in the past and it has been of real benefit to them in preparing to face new competitive pressures. Indeed, if you listened to the former contribution from the member for Indi and others on the other side of the House you would think that assistance and support schemes to the TCF industries are all the coalition’s idea. I am sorry to inform them that extensive programs of structural adjustment assistance were made available to this industry by previous Labor governments when the process of tariff reductions began some time ago. I think it is important for the support to flow to those companies as there are around 1,400 people directly employed in the TCF sector in my electorate alone, with many more indirectly employed as a result of the industries’ presence in the region.

In that previous debate, I stated my disappointment that the Howard government linked through the commencement clause the SIP bill with further tariff reductions. It is a disappointment that I restate now on behalf of the Geelong community. It is very clear that despite past efforts by Labor to uncouple these bills, the most recent representation being the discussions between the shadow minister and the minister on this matter, the Howard government is determined to foist on these industries further tariff reductions regardless of the trading environment at this time or in the future.

The Howard government has made its position clear and it is not for me to deny that particular mandate. The fact is that after 1 July 2005 it will have control of both houses in this parliament and its declared intentions in relation to this matter are now a fait accompli for the Geelong community, the workers who work in TCF industries in Geelong and, indeed, the many companies and entrepreneurs who make their living in these industries.

I do not intend to debate the matter extensively again as my views have been adequately canvassed in previous debates, but the reality now faced by TCF industries in Geelong is simply this: the coalition has control of the House of Representatives and will
have control of the Senate come 1 July. Given its expressed determination to proceed along this path, we have come to the conclusion—and, I must say, for me it is a disappointment—that there is no purpose to be served at this point in time in denying passage of these particular bills and denying firms in Geelong and elsewhere access to the important support moneys that they require to prepare themselves for an even more difficult trading environment in the near future.

There is a second aspect to the reality that is now being faced by the TCF industry in Geelong, and I alluded to it in a speech that I made on the Avalon development and the movement of the Footscray fruit, vegetable and flower market to the Avalon precinct in the Melbourne-Geelong corridor. The point I made in that speech is that the Geelong community needs to begin preparing itself now for a new trading environment.

The Howard government does have a fetish for free trade agendas even though many government members do not understand or have not read in fine detail many of the agreements that their executive has signed up to. There is a reality now facing TCF firms in the Geelong region and that is this: the Howard government has embarked on a course of action to link the Australian economy with that of China as it has done with the United States of America. If we study the statements that have been made by the Minister for Trade and the Prime Minister, we see that it is very clear that the Howard government, over the next three years, intends to pursue a free trade agreement with the People’s Republic of China. We know that that will be a difficult process. But at least in this process we are going to get some degree of community consultation that was sadly lacking in the public debate over the Australia-Thailand free trade agreement and, indeed, many aspects of the Australia-US free trade agreement.

It is very clear to me that those particular treaties were rushed. There was not an adequate opportunity for community consultation and public evaluation. There was not enough scrutiny by this parliament and its committees. There was not enough work done on the economic analyses as to the costs and the benefits of those treaties to Australia and, with regard to the TCF industry, we now know that there are particular dangers in the United States-Australia free trade agreement. The yarn forward rule of origin will make it extremely difficult and put increased competitive pressures on Australian TCF firms, and we know the rules of origin issue has not been satisfactorily addressed in the Australia-Thailand free trade agreement.

The Howard government’s announcements of its intentions to pursue a free trade agreement with China, the recent developments in the APEC negotiations that took place and the forthcoming Doha Round in the WTO are developments that the Geelong community must come to terms with quickly. It will be my task in the new year to consult very widely in the Geelong community on these developments in order to assist people to understand the implications of those developments for our community and to strengthen the process of preparation that we and our companies must go through for that new reality.

We have consistently agitated and pressured the government for certain things to be included in its industry planning for these industries. We know the Howard government is not a good planner when it comes to the development of industries. We are no strangers to that particular task. When in government in the past we undertook planning with regard to the automotive and component manufacturing industry, the textile, clothing and footwear industry, the steel industry, the pharmaceuticals industry, and the list goes
on. I must say that the Howard government is keener on making decisions without first planning to make those decisions and understanding the consequences of the decisions that it makes.

We on this side of the House have agitated and pressured the government, and I think that has resulted in two very important measures being incorporated in this piece of legislation. The first is the access to the SIP moneys for the small firms in the sector. I have many innovative small firms that were unable to access funds in the past because of their size. It is these very firms that hold out the prospect for greater job growth in the sector in the future for the creation of more secure jobs and a future for the communities in which they operate.

We have also been successful in getting an enlarged structural adjustment program for workers who may be displaced through the decisions of government and commercial pressures in the marketplace. If ever there was an industry that displayed a real human need for retraining and reskilling a labour force that might well be displaced, it is this particular industry. In my electorate, we have done extensive follow-up studies on the restructuring process that has taken place and the impact on workers in our community. Ours is a multicultural community and, in the TCF industry, many of those workers come from non-English-speaking backgrounds. Our experience has been that, once displaced from the industry, many people have found it extremely difficult to gain employment in other industries in the Geelong region. So it is very important that we have a strong, well-funded structural adjustment program for the workforce. It is important that small firms are able to access key programs in the SIP and it is very important that communities and governments make a commitment to do whatever they can to expand employment in these niche areas of production in the TCF market.

I want to make a couple of points about the government’s handling of this legislation. I want to put on the public record the fact that I regard the government’s incompetence in this area as nothing short of breathtaking. The decision on these industries was made in November 2003. We all know how hopeless the government was with its legislative program in the last parliament. It was not until June that we got an opportunity to debate these very important bills. Then of course we quite legitimately referred these matters to the Senate committee process. There were particular outcomes from those deliberations which I think have informed the public debate in this country. Of course, then we had the intervening event of the election, which has resulted in this legislation being put to this House again at this time. But it is a matter of public record that this government is hopeless in the timing of its legislative program. The gap between the decisions that it makes and the actual legislation coming before the parliament is too large—and then it seeks to blame Labor for proposing important measures to progress the position of workers and firms in these industries.

I want to support the sentiments that were expressed by the honourable member for Oxley, who canvassed how workers and companies in these industries have been prepared to restructure in the past. He outlined in quite some detail how, all over Australia, they have committed to that restructuring process. The point ought not to be lost on the ideologues in the government and on the back bench that the brunt of this restructuring has been borne by workers, ordinary families, in communities all across Australia. As a nation, we owe them for their cooperation and the manner in which they have debated and confronted these issues. But we do not get that attitude from members opposite;
all we get is a tirade against the unions. Let me tell you this: in my electorate the TCF union is one that can hold its head up high in this particular debate and in its involvement in these sorts of issues. It is also a union that is to be commended for the way in which it supports other unionists who have difficulty from time to time with their employers.

In conclusion, I will make some very brief comments about the commercial environment that is now faced by TCF industries in my electorate. We have seen the value of the dollar increase substantially, and this has put extraordinary competitive pressures on key sections of the industry. These variables are prone to wide fluctuation. The smart companies in many industries have learned how to adjust and cope with that environment, but there are many smaller firms who are being encouraged to develop niche markets, both domestically and in the export arena, who do not have that skill and who need all the assistance that they can get to position them with sufficient expertise to take advantage of export markets and to grow their businesses.

I have alluded to changes in the trade environment. These are important, and I cannot stress enough that the Geelong community now has to come to terms with a new operating and trading environment as far as its TCF industries are concerned. I will be assisting that process of understanding in the year 2005 so that we as a community can devise coherent and well-placed strategies to assist our firms to stay in business and to keep employing. A further change to the commercial environment is the existence of extensive non-tariff barriers that must be addressed in the Doha Round and other trade negotiations that take place. You have only to go to the major textile employer in my electorate, Godfrey Hirst, to hear about the very practical problems that they face in getting their product into Asian and other markets; the non-tariff barriers are cruelling them. These matters have not been adequately addressed by this government over the time it has been in office and in charge of these particular trade negotiations. (Time expired)

Mr HATTON (Blaxland) (8.28 p.m.)—I am happy to follow the member for Corio in this debate on the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 because, when it comes to defending his people, the member for Corio has no peer in this House. He understands that the people in his area who work in the textile, clothing and footwear industry need to be protected from a government that neither understands nor cares about the implications of policy for those people. He indicated to the House earlier in the debate that in the order of 1,400 people in his electorate are involved in the textile, clothing and footwear industry. The electorate of Blaxland is part of the city of Bankstown—which covers not only Blaxland but also Banks—and I can indicate to the House that, all up, in the Bankstown local government area, 624 people are currently employed in the textile, clothing and footwear sector. It is a source of regret to me that 624 for two electorates, Blaxland and Banks, is fewer people than were employed in the sector previously. I have experience within Blaxland of just what a price individual people and individual companies pay when the world globalises its methods of production.

A number of companies in Bankstown have gone out of business over the years despite the best efforts of the staff and the management, and despite the best efforts of the then member, Paul Keating, and me as his electorate officer. We attempted to save companies that were going to the wall because of the pressures of modern business and the pressures of the changes in the tex-
tile, clothing and footwear sector that Labor has taken the lead in initiating. In speaking to this bill, I also know that there are significant problems and significant difficulties in this area and there have been since the early seventies. There is a common clash in the modern period between people with manual skills and the increasing automation of much of the work that is involved, or competition from people who offer equivalent or similar skills but are willing to do the job at a much lower price.

The price of this clash can be significant and heavy. That has been the case now for a number of decades. Two members of my family—two of my aunties, one by marriage and one genetically connected—have been part of the textile, clothing and footwear industry and have given their lives and their skill to that industry. They have seen it change over time so that what was an intimate part of their whole understanding of themselves when they were young changed in front of their very eyes. My aunty Doreen worked for Whitmont. In the 1970s, Whitmont was one of the most significant companies in textile, clothing and footwear in Australia. It was a major manufacturer whose brands, from one end of the country to the other, were sold in the major chains—Myer in Melbourne, Grace Bros in Sydney and David Jones—and across new and emerging places in Bankstown, such as Wiley Park. In that area, Roselands and Bankstown Square have become major shopping centres—they were the new and changing face of Australia and its shopping malls, taking from the American experience and replacing the strip centres that had been the dominant part of the history of the Bankstown area.

My aunty was working for Whitmont at Blacktown, where she lived, when the impact of the Whitlam tariff cuts was felt. This is a case where in one fell swoop a 25 per cent cut hit the textile, clothing and footwear industry. It was a savage blow and one that was very difficult to accommodate. The Whitlam government saw that it was right to reform this particular industry. To do so on such a scale and with such magnitude was to effect a major change but to not really have any appreciation at all of how damaging and hurtful that was to the very fabric and nature of not only the TCF industry in Australia but also the lives of those common, ordinary, Labor voting people from Blacktown to Bankstown who supported the government but found themselves at the wrong end of change. They were people who in the 1970s lost their jobs because of that restructuring.

But what was the Whitlam government promise? What was the siren song sung to them about what this change—the 25 per cent reduction in textile, clothing and footwear tariffs—would bring to Australia? What they were promised in the seventies and what was not delivered was a dramatic reduction in the price of finished goods available in Australia. The Whitmont man and the Pelaco man were symbols of Australian goods produced in Australia for what were effectively Australian white-collar workers, although they were produced by blue-collar workers. The Pelaco man was a symbol not just of Australian production and inventiveness but also of the fact that Australians could indeed produce material but at too high a cost. That has largely been the story of our federation. In an innovative attempt to cut through—it was almost a crash-through approach, which was emblematic of the Whitlam government’s style—there was a 25 per cent cut in tariffs in one fell swoop. It was too fast and, quite simply, the industry could not accommodate it. The promise held out was a dramatic cut in the cost of those products for Australians. But, Mr Deputy Speaker Baldwin, you and I—even though you are a youth compared to me—are both old enough to know that that was not what happened at all.
People lost their jobs, we certainly know that. My aunty Doreen can attest to person after person being struck off the payrolls at Whitmont and the effect of that in Blacktown and surrounding areas.

The promise did not stand up because, although there was a major benefit at the production level, in none of those emerging consumer outlets—David Jones, Grace Bros and others, from one end of the country to the other—was there a commensurate cut in the cost of the goods that they were providing to Australians. We are now used to the fact that our shirts come from China and Indonesia. We are used to the fact that the outsourcing that has taken place for decades now has brought a lower level of cost. It has had a great impact on Australians’ ability to buy cheaper and better at the lower end of the textile, clothing and footwear market. But people in the 1970s got the short end of the stick, because they got the employment cuts and reductions to go with the tariff reductions but not the commensurate reductions in price in terms of finished goods.

That salutary lesson—that you cannot just go in like a bull in a china shop and make dramatic change on the basis of what you are told by retailers, without regard to what their actual economic activity will be—is one that was picked up by the Hawke and Keating governments. You cannot make dramatic change on the basis that retailers will keep their end of the bargain. That did not happen. David Jones and the other major companies made enormous profits by importing from China finished goods that were lower in quality than those available in Australia. Instead of double-stitched collars and well-finished goods there were products that were greatly inferior. But price became the dominant motif in the textile, clothing and footwear area.

We have had more than three decades of change, and during those three decades of change there has been a dramatic reduction in the number of people involved in the TCF industries in Australia. But, in terms of providing structural adjustment packages that deal with the human elements of these things, the only place you will find any sign of conscience with regard to the impact of these structural changes is here, in tonight’s speaking list on this bill.

What have we got? This was a bill that was stood over because of the election. On the government side we have Sophie Panopoulos, the member for Indi. She is the single government representative on this bill. She is a blow-in from Melbourne who took the seat of Indi when Lou Lieberman, a distinguished member of this House, left. She is the one, paltry, government voice to have something to say about the impact of this bill.

On the Labor side what do we have? We have been led in the debate by Stephen Smith, the member for Perth, who has legislative responsibility in the shadow ministry for this. Then there was Bernie Ripoll, the member for Oxley, who spoke well. Before me there was the member for Corio, who has 1,400 TCF union members in his electorate. He is someone who advised former Senator John Button, the then minister responsible in this area. When he argued that structural adjustment packages need to take account of the nature of the industry but also to be tailored to the impact that is felt by people in electorates across Australia, he could speak well because he was advising former Senator Button at the time the major changes were made to TCF.

I stand by everything the member for Corio said. He is a courageous member. He is one who is willing to take it up to what is now the government—they were the opposi-
tion during his time. He is willing to take it up to this coalition of Liberals and Nationals who at base do not care a jot about the livelihoods of—or the effect on—all of those people involved in TCF industries, because by and large they are not in their electorates.

Mrs Irwin—That is right.

Mr HATTON—Look at the speaking list. I am the member for Blaxland, and there are 624 people in my electorate and in the electorate of the member for Banks who are affected. Look at who is coming after me. The interjector to my left, the member for Fowler, has hundreds of people in her electorate who are affected by this legislation. Many of them are from the Vietnamese community, which is something we both share, and they are working in the TCF sector at one level or another. They owe their livelihoods and many benefits to their families to the work that they do within the TCF area.

The last speaker we will have on this side of the house will be Brendan O’Connor, the member for Gorton. His is a newly named seat, but he is the same person who in the last parliament stood up again and again for people in the textile, clothing and footwear area—those people whose only protection is that provided by the Textile, Clothing and Footwear Union of Australia. They will not get any protection from the government’s measures presented before this House, or from their employers, or from the end users of the products they make. They will only find protection from those people who are willing to stand up on their behalf and say, ‘These are people who work hard but whose remuneration is at the very bottom of what is available in this society.’ These are people who need a voice. Through their union and through their Labor representatives in this parliament, they have a voice. Demonstrably the voice of the member for Indi is a lonely voice within this parliament; it is the single government voice in the debate tonight.

That is emblematic of the fact that this government care more about their trade deal with China and about signing China up—together with Thailand and the US—to yet another trade treaty which has a direct impact on the people of Australia. We are faced in this bill with something that the Labor Party would rather was not here. We favour and support the structural investment program encompassed within this bill, but Labor said that it was sensible to invest in the people that we have and to attempt to build a stronger, broader, more significant TCF industry then we have had in the past. That is what the whole 13 years of the Hawke-Keating government were about in this area—saying we recognise that, if you want to go in and compete against Indonesia or China on the basis of wages and finished products, you simply cannot do that. In the same way, people producing footwear in competition with countries such as India—which has had a long history of producing low-cost footwear, not only for the Indian subcontinent but world wide—are simply not going to make the grade in a globalised economy.

What we can do is take lessons from Italian designers and producers. We can renovate the Australian textile, clothing and footwear industry and put it on a good basis. We should at least give Gough Whitlam and his government credit here: the Whitlam government envisaged that, with the 25 per cent reduction, there should be a commensurate drive within the Australian community to change the way in which we envisage the very place of textile, clothing and footwear industries within the Australian economy. The Whitlam government saw that a smart economy could produce smart products and a clever country could be clever in the way in which it utilised the native talents of its vari-
ous peoples to produce well-designed products. They saw that with a proper approach to production, skill and marketing we could enter a different niche in Australia and elsewhere.

I would have thought that no-one in 2004 would argue against that, except probably the member for Bennelong, who was so attached to his views in 1974 when he entered this place and when he was Treasurer in 1982-83 and when he replaced Philip Lynch in 1978 and gave us that memorable budget—the dollars under the bed one. Remember that? During the years he held his position, up until 1982-83, the member for Bennelong had one constant, and it is expressed in this bill and in a range of other ways. The member for Perth knows as well as I do that the member for Bennelong, at his very heart, has been about the ‘Thailand-isation’ of Australian industrial relations and the ‘Thailand-isation’ of the remuneration of Australian workers. It has been an accident, as far as the member for Bennelong is concerned, that Australian workers might have improved their situation. He has the imagination which cannot go beyond people working for lower wages when people might want to be more effective than that.

The stream of history is entirely against this. We need to use our native intelligence, our capacity and our ability to design, market and produce Australian product of high quality not only for the Australian market of 20 million people but for Asia, our regional market, and indeed for the world. During the Hawke-Keating period, when the member for Perth who now has responsibility for this was an adviser to then Treasurer and then Prime Minister Keating, we found that Australia could be a smart and clever country and it could be so across a range of different portfolio areas. The future strength and health of this economy depended, most importantly, on the fact that when structural change was put in place, as the member for Corio knows so well, a structural investment program and strategy was needed to take Australia forward rather than sideways or backwards.

The member for Bennelong still has no fundamental understanding in relation to this, and that is why this bill was not split into two. That is why the arguments of the opposition were not taken up. Labor has argued that these tariff reductions should be delayed and the impact of the adjustments tailored to changing circumstances not only in our economy but in the world economy. The tariff reductions should be taken into account in one part and the structural investment program taken into account in another. The government refused to do so, because they have no concern for my constituents or for the constituents of the members for Fowler, Gorton, Perth, Oxley or Corio. As far as they are concerned, they are Labor electorates and they could not give a damn. But I tell you what: we do give a damn and we will do everything we can to protect our people. Although we are compelled to vote for this legislation here and in the other place, we know that the fight we will have over the next three years will be much greater come 1 July 2005 when the government will be untrammelled in its power and its scope. *(Time expired)*

*Mrs IRWIN* (Fowler) (8.48 p.m.)—The Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 before the House can be seen as the last throw of the dice for the textile, clothing and footwear industry in Australia. A once thriving manufacturing industry employing hundreds of thousands of Australians is on the verge of becoming a cottage industry. In a world where globalisation and free trade are the
buzzwords, the TCF industry is the hottest battleground on which economic adjustment is being fought. By its very nature, the TCF industry is labour intensive and that factor has driven many manufacturers to countries with the lowest labour costs. You might say that as consumers we benefit from this by way of lower prices for clothing and footwear. It is certainly the case that consumers are voting with their credit cards and purchasing cheaper, overseas made items.

Without high tariff protection, the TCF industry has suffered a severe decline, and it is difficult to see how a viable industry can survive. With the exception of a few, small, highly specialised areas, local manufacturing will continue to decline. While the level of tariffs that apply today is much lower than the level which applied some years ago, it still represents a level of advantage to efficient local manufacturers. Tariffs are a fairer and more transparent form of support for local industries than most other means of support. The steps taken in 1999 made tariff reduction more gradual, but they still lead to a phase down to five per cent by 2015.

I should note that the negotiation of free trade agreements with Asian countries can also impact on these tariff levels. The objective of these tariffs was to provide incentives to producers to undertake restructuring and achieve efficiency gains for those sectors that have a strong prospect of becoming internationally competitive. The strategy here is to build a strong export industry, and the doubling of Australia’s TCF exports over the last 10 years is evidence of the success of this strategy. But it is important to note that one of the biggest problems facing Australia’s TCF exporters is the existence of TCF tariff barriers among many of our trading partners. In reducing tariffs, we are opening our markets to imports while our exporters face much higher tariff barriers in other world markets.

The tariff phase downs contained in this bill were opposed by Labor as part of the policy we took to the last election. That opposition was based on clear evidence that these reductions in tariffs would result in further contraction in the industry. The old idea that tariff protection could allow infant industries to develop and become successful exporters was not the reason for Labor seeking to slow down the rate of tariff reduction. What we have to do is look at what is happening in the industry and see the effect of these policies on the industry’s future.

Australia’s TCF industry is tiny by comparison with many other countries. We simply lack the size to have a dynamic TCF industry. Even with our current exports of over $1 billion annually, it is hard to see the industry as a whole competing with the giants of the world TCF market. That leaves us with a real decision about whether Australia will continue to have a TCF industry at all, because the decline in the industry will reach a point at which it no longer has the critical mass to survive.

We can talk about specialised parts of the industry which may remain viable, but without a large general industry it will lack the volume to develop and transfer the technology and the skills to keep even specialised parts of the industry competitive, and this will eventually lead to a decline in exports. If you look at the industry today, is there anyone who would seriously suggest to a young school leaver that they seek a career in the TCF industry? I think not. What career path would you expect them to follow? What job opportunities can they expect? Where will they get their training? How will they build a dynamic industry? Honestly, I cannot see too many young people looking forward to a successful career in textiles, clothing and footwear manufacturing.
These bills set out the basis for the post-2005 strategic investment program. The program follows the current scheme, which has seen grants of $700 million paid for plant and buildings, research and development, value-adding, and assistance to communities facing restructuring and employment problems. The proposed scheme will provide grants totalling $575 million, with the great bulk to be paid before 2010. These grants would be limited to a 40 per cent capital investment subsidy and an 80 per cent innovation subsidy.

I said earlier that tariffs were a fairer and more transparent form of assistance to industry. When you look back over the previous strategic investment program, you have to wonder if these programs cannot be manipulated to suit the strategy of a particular business rather than to assist the industry to become internationally competitive. The history of Australia’s industrial development is full of cases of companies using assistance to line their own pockets rather than to build a viable industry, so we can once again expect the lion’s share of the assistance to go to the capital investment subsidy. I have to question the wisdom of this. Are we subsidising capital investment because the cost of capital is greater in Australia than it is in other countries? I thought we had a fairly even world market for capital, but if the government kicks in 40 per cent of the cost of your investment it can certainly boost your profit. And if the government then kicks in 80 per cent of your development costs you can make a fairly comfortable living, even if the assistance is limited to five per cent of your total sales revenue. A good accountant could make sure that you get the most benefit from that assistance.

I would apologise to the many companies that would generally use this assistance to build and maintain TCF industries, but I think it is a safe bet to expect that at least a few will structure their operations to make the most of the grants. But even the genuine companies will be forced to make investment decisions based on being eligible for a grant rather than on commercial reality. So we have a scheme which is now totally directed at providing assistance to individual firms. Assistance into communities facing restructuring and employment problems is no longer available. This is where the scheme is most disappointing.

As I said earlier, one of the things that we are in danger of losing as our TCF industries shrink is the technology and skills transfer that is an essential part of industry development. Countless years of experience and skill development will be lost to the industry. I can see some of the firms applying for their innovation grant seeking skills from overseas, but how much of those skills will be transferred to our local work force? And could we have developed those skills here in Australia if we had a larger and viable TCF industry? Where does this fit into the career paths that I mentioned earlier? This is where the real future of the TCF industry lies: in the people who work in the industry, from the technologists and the designers to the factory workers and the outworkers. As their numbers decline, so does the prospect of an innovative and viable TCF industry. We are not building the industry from the ground up, as has been done in developing countries; we are looking to build an industry capable of employing a high-cost but highly skilled work force. But that means having an industry which employs a wide range of skills; it means having an industry with a large enough pool of skills to spark innovation. Only when we see the existence of a TCF industry as being critical to having any sort of manufacturing industry will we see the importance of maintaining this base.

Speaking of the people involved in TCF industries, it is fair to say that they are
among the lowest paid workers in Australia—and they are the lowest paid workers in Australia. Traditionally, the work force is made up of women and, although entry skills can be low, with training and experience they have become a highly productive work force. They are also subject to some of the worst exploitation of any Australian workers. In my own electorate of Fowler, clothing industry outworkers face long hours of exhausting work for very low rates of pay. They are often exploited by not being paid or they face threats or reduced work when they complain. For many who are struggling to raise a young family, outwork is their only option. They often work late into the night after caring for children during the day. Others rely on help from children to complete their tasks, and that happens quite often in my electorate, especially in Cabramatta. Their hourly rates of pay would often be well below minimum wage levels but, as I said, it is often the only work they can get that suits their family commitments. It is hard to imagine any of the $500 million that will go in subsidies to the TCF industry trickling down to those who are the backbone of the clothing industry. They will get none of the capital assistance, they will have to pay for their machines at personal loan rates of interest and they will enjoy none of the benefits of innovation grants, but the clothing industry would be nothing without them—nothing at all.

The textile, clothing and footwear industries have provided employment to many migrants to Australia, especially in my electorate of Fowler. Migrant women have always found it difficult to find suitable employment. TCF employment has provided migrant families with an additional source of income in their early years of settlement, and many of those families owe their success to the opportunities for work in the TCF industries. While in more recent years we have counted the cost of tariff protection in terms of higher local prices and reduced national productivity, we have lost sight of the hidden cost to our nation of not having a source of employment like the TCF industries.

I was interested to note some recent commentary on productivity improvements in other countries. It seems that the world leader in output per hour is Belgium, but this productivity comes at the cost of fewer people in employment. The recent experience of the United States is that productivity has increased, but it is at the expense of lower skilled jobs. During the US election campaign it was noted that George Bush was the first President since Herbert Hoover to have presided over a decline in aggregate employment. And things are about to get a whole lot tougher for TCF workers in the United States when import quotas are abolished next year.

While we bask in the economic sunshine, we might give a thought to our future. Can we always rely on our present industry mix to provide employment for all Australians willing to work? Once we have lost our TCF industries, we will not be able to replace them. We will not have the option of building on that important base of skills and experience. We will not have an industry with a mixture of low entry skills and higher technology and design skills. We will be like an undeveloped country starting out all over again.

The measures contained in this bill are not a lifeline to the TCF industries; they are a tombstone for them. They are the closing chapter in the dream of Australian manufacturing industries which offer a mix of employment opportunities. The way we are headed, the job opportunities for our grandchildren will be limited to digging up minerals, laying bricks and pouring coffee. Surely future employment opportunities in Australia
Mr BRENDAN O’CONNOR (Gorton) (9.03 p.m.)—I rise to add my thoughts about the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 and the effects they will have on the industry. As the member for Fowler has indicated, there is a real issue about the extent to which you can run down any industry. Whilst the government only has an enabling role to play by providing decent economic policies and decent industry policies, there is no doubt you can fall below a critical mass in an industry.

We know that it is assessed that the TCF industry now employs close to 60,000 employees. That has declined over many years. We also know the employees in that industry—and no doubt the employers—have gone through some fundamental changes, particularly in the last 20 or so years. One can recall the introduction of the TCF industry plan in the mid to late eighties by the then minister, John Button, who sought to bring down what were very high tariffs in order to place competitive pressure on the industry in order to, in turn, create efficiencies through innovation and productivity increases. We are not strangers to the changes to this industry—nor indeed are the employees and employers.

The member for Corio said that there is no doubt that, when you look at the pressure that is borne by this industry, most of it does fall upon those employees who have worked in it for many years. It is also true to say that many of the employees in this industry are not necessarily well suited to finding gainful employment if they were to be displaced by government policies or other factors that will bear upon the industry.

It would be wrong to suggest that these bills will have the sole effect of losing employment in this industry. There is no doubt that there are pressures that result from the significant appreciation of the dollar in recent times, where import costs have reduced, placing the industry under enormous competitive pressure. We can also foreshadow the potential of a trade agreement with China. We do not know what form that may take, but there is no doubt that, if there were to be a free trade agreement with China, there would certainly be more pressure experienced by this industry.

There are a number of factors that impact upon the industry, upon its employees and, as a result, upon us a nation. When we use these figures of 58,000 or 60,000 people working directly in the industry, we have to remember that they are not just statistics; they are mums and dads across the nation looking after their kids and hoping to be employed by the end of this year and certainly by the end of next year. They are families that, in some cases, be experiencing difficulty in purchasing a home or, indeed, servicing a mortgage. Notwithstanding the relatively low interest rate levels, the fact is that many of these employees, as we know, are very low-paid workers and do not have a great amount of money at the end of the week to spend on necessities, let alone luxuries. So we have to be aware what the effect of the refusal by the government to decouple the bills will be in human terms.

Labor’s position before the election was that we would support the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 but believed it would be better to have a proper review of the industry before reducing the tariff rate. We have to remember how far this rate has dropped in the last 15 or so years. The fact is that this industry has gone through remarkable change. You can create
I am certainly disappointed that we are at a point now where we have not been able to convince the government to divide the bills. I understand the minister has made a commitment to look at a review in 2008, which I think was as a result of some discussions he had with the shadow minister. Indeed, it may have been something that was in his mind before then—I do not know, but I do know that, with the Labor Party supporting the passage of these two bills, the government has acceded to a review in 2008. I think that is a good thing, but I have to say I do not think it goes far enough by any means.

I am disappointed that we failed to convince the government to hold off on the tariff cut. I think it would have been preferable, given the pressures that are about to come to bear on the industry. There are already those other pressures such as the appreciation of the dollar, but, with discussions with China imminent, there could be all sorts of other pressures. I am not sure whether the industry should be placed under further pressure as a result of these two bills. So when I rose to speak it was with some disappointment that we have not managed to convince the government to decouple these bills. However, I do welcome the moderate concession by the government to consider a review in four years.

One other thing that worries me about the way in which the government has treated this industry is that it does not seem to have an affinity with the employees of the industry in the way that it seems to with, for example, the employees of the sugar industry. When I rose to speak about bills that related to these matters in the last parliament it was at a time when the sugar industry was left out of the free trade agreement with the United States. I recall the Prime Minister heading north to Queensland and providing a very healthy package to sugar farmers, who felt that they were going to be adversely affected by their
exclusion from the large United States market. I have not seen the Prime Minister or indeed the minister respond to ensure that employees in the textile, clothing and footwear industry would be similarly catered for in the event that they were to lose their employment. I would like to remind the Prime Minister and the minister that many of these workers are from non-English-speaking backgrounds, they are mostly women and, generally speaking, they are relatively low-paid. We need to afford them every protection we can in order to ensure that their jobs are as secure as they can possibly be.

As I say, it disappoints me to see that the government has not really changed its tune in relation to this matter. I can only say that a country that wants to open its markets would be best to consider opening them but always providing proper protection where possible. A lot more could have been done by the government to provide certainty. We have talked about certainty in the industry, but I am not sure there is a great deal of certainty or security for the TCF employees as a result of the two bills before us and, in particular, the proposed tariff cut. As I say, I have a qualified view about these matters. I accept that we have managed to have some concession made concerning a review, but it falls a long way short of what I hoped the government would have done if it had had Australian working families in mind when it made this decision.

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (9.16 p.m.)—in reply—I would like to thank all members from both sides of the House for their contribution not only to this debate but also to the previous debate when the legislation was first introduced to this House. I would like to acknowledge the willingness of the member for Perth to sit down and have a meaningful discussion about how to facilitate the passage of the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 and in the end put the interests of the industry ahead of perhaps some political opportunities which may or may not have transpired.

Unlike many of the previous speakers, I do not share the pessimism with regard to the future of the textile, clothing and footwear industry in Australia. I spent a great deal of time as Minister for Industry, Tourism and Resources in the previous term of the Howard government speaking with representatives of the industry and going to their factories, sitting down with workers at their tea tables and discussing issues related to where this industry goes. I wear with pride an Australian made suit, made by Berkeley Apparel in Sunshine—not very far from the member for Gorton’s seat. Studio Italia has proven that if you produce a quality suit with a brand name you can sell it in Australia in competition against suits from New Zealand, China or even Italy. And R.M. Williams—if I add them up, I think I own five pairs of their boots—have carved out a niche to demonstrate that quality high-priced product will still sell in the Australian market and provide an export opportunity.

The Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 Scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004 will implement a long-term assistance package for the industry which will strengthen its competitiveness and underline its future prosperity. The industry has been keen for this package to be passed without delay. Again I thank the member for Perth and his colleagues for supporting the government on the passage of this legislation and giving certainty to not only the workers
in this industry but also the investors and the businesses involved in the textile, clothing and footwear industry. It is a generous package—in fact, to respond to a comment from the member for Gorton, it is almost twice the size of the sugar package. It is a generous package worth some $747 million, with the bulk of that money going towards a 10-year extension of the TCF strategic investment program, otherwise known as SIP, via the formulation of a new scheme, the TCF post-2005 SIP.

The TCF post-2005 SIP targets the key drivers for growth in the industry—namely, investment and innovation. It also targets assistance to those sectors facing the greatest tariff adjustments—that is, the clothing and certain finished textiles sectors. The industry has also welcomed the other elements of the package, such as the $25 million TCF small business program, which specifically targets those small businesses who have previously not been able to access the SIP and comes about as a direct result of representations from a wide range of sectors within the industry; the $20 million supply chain program, which is there to ensure that manufacturers of textile, clothing and footwear in Australia are able to offer service at a level which will improve the competitiveness and saleability of their product; and the $50 million product diversification scheme, which will give every opportunity to develop product lines and thus grow production in Australia. The $27 million extension of the Expanded Overseas Assembly Provisions Scheme also makes up part of the package.

Together these measures complement the $575 million dedicated to the extension of the TCF SIP and will drive competitive practices within the industry. I acknowledge and share members’ concerns about also helping firms, workers and communities affected by restructuring in the industry. It is for this reason that the government will establish a $50 million structural adjustment program. The value of the package is commensurate with the anticipated employment impacts. For the record, I say again that I would welcome any constructive input from any sectors of the TCF industry, including the unions, with regard to the formation and construction of that program. The aim of the exercise is to assist those people, firms and communities affected by the adjustment that we on both sides of this House know will occur in the industry.

I also note that, in its pre-election TCF platform, the opposition was earmarking the same amount of funding for the purpose of structural adjustment. It is important to reiterate the objectives of the TCF structural adjustment program. They are to assist TCF employees who have been retrenched to secure alternative employment by providing streamlined access and additional assistance under Job Network programs; to assist TCF firms to consolidate into more viable entities; and to assist communities, especially TCF-dependent communities, to adjust. I am, however, disappointed that the Labor Party still expresses concern over further reduction of the TCF tariffs. I am disappointed especially given that it was this party—and one of the earlier speakers actually pointed this out—that abolished quotas and slashed tariffs when it was last in office. Even Gough Whitlam cut tariffs by 25 per cent.

The industry certainly acknowledges that the tariff is a far less important issue now than it was in the past. Again, that has been acknowledged by many speakers. Setting out and legislating the tariff reduction schedule provides the industry with certainty to plan for the future and, where appropriate, seek assistance from the TCF SIP to undertake further investment and innovation. Hence, it is important that both bills are passed, and I acknowledge and welcome the fact that the Labor Party is now accepting this position. I reiterate my commitment to the member for
Perth that the position of the industry will be reviewed in accordance with my letter to him of 29 November and that I will ensure the government of the day, if I have the ability to say so, will conduct a review in accordance with that letter.

In order to facilitate the passage of the bills, we are prepared to permit a departmental review of the SIP’s effectiveness. This is done on the understanding that the review does not cover tariff levels or the quantum of money provided under the SIP. I add that any responsible government would do this as a matter of course and I am pleased to see bipartisan support for that. I would, however, like to make one observation about the Labor Party’s stance on these issues. I remind the House that the Labor Party’s initial position on these two bills was to split the SIP bill from the customs bill—that is, they were happy to vote for the money for the TCF industry but not for the reform. Whilst I am now grateful for their preparedness to follow and accept the realities of the TCF industry, I think that the delay and concern that that caused the industry was unnecessary. Nevertheless, the deal the government put to the Labor Party now stands. It is that deal which they have agreed to. Again, I thank the members for their contributions in support of the two bills. The passage of these bills will provide long-term policy certainty and assistance for the TCF industry and its workers. I commend the bills to the House.

Question agreed to.

Bill read a third time.

CUSTOMS TARIFF AMENDMENT (TEXTILE, CLOTHING AND FOOTWEAR POST-2005 ARRANGEMENTS) BILL 2004

Second Reading

Debate resumed from 17 November, on motion by Mr Ian Macfarlane:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (9.27 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BUSINESS

Rearrangement

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Health and Ageing) (9.27 p.m.)—I move:

That consideration of government business order of the day No. 5, Tax Laws Amendment (Small Business Measures) Bill 2004, be postponed to a later hour this day.

Question agreed to.

TAX LAWS AMENDMENT (SUPERANNUATION REPORTING) BILL 2004

Second Reading

Debate resumed from 18 November, on motion by Mr Brough:

That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (9.28 p.m.)—I was listening to the Minister for Industry, Tourism and Resources with some patience and nervousness because I have
been awaiting the opportunity to congratulate you, Mr Deputy Speaker Baldwin, on your elevation to such high office. I was most nervous that the minister for industry would go on a little too long and you would be replaced by another member of the Speaker’s panel. That would have disappointed me greatly. I am sure that all residents of the Hunter electorate and the Hunter region generally will be delighted by your elevation. I note that you took the opportunity to inform them of that great promotion in this place. It can only be a good thing. I look forward with great anticipation to serving under you and obeying your rulings.

The Tax Laws Amendment (Superannuation Reporting) Bill 2004 is another attempt by the government to portray itself as committed to reducing the compliance burden on small business. Of course, we all know that is a bit of a farce, and we all recall quite vividly that period leading up to the 1996 election when the now Prime Minister made his infamous declaration that he was determined to reduce red tape compliance for small business by 50 per cent. We all know that has not been the result of the election of this government. Indeed, red tape compliance has increased exponentially since the election of the Howard government in 1996. That has largely been driven by the introduction of the GST, about which I will have something more to say during a later debate.

This bill relates to the reporting of superannuation guarantee commitments by employers. I remind the House that in 2002 legislation passed by this place required employers for the first time to report superannuation guarantee contributions on a quarterly basis. Quarterly payments were introduced for a number of reasons, including safety and financial advantages to employees of more regular payments, gains in government revenue and administrative advantages to the ATO. Labor at that time supported those changes.

At the time, the government also introduced the requirement that employers report superannuation guarantee contributions paid on an employee’s behalf to that employee within 30 days of the payment. Labor accepts that employers, especially those in the small business sector, can find this requirement onerous. In his second reading speech on this bill, the Minister for Revenue and Assistant Treasurer indicated that many employees will receive the information on pay slips, as required under awards and separate legislation. Labor would prefer that the requirement to meet this obligation was more clearly specified. This clearly still creates uncertainty in the small business sector about its obligations.

The bill is a genuine attempt to reduce the compliance burden on small business. Labor supports this and will support the bill. But it should be remembered that the government introduced the requirements just two years ago. Now it is repealing them. The government has admitted in this bill that it has got the small business policy wrong yet again—that it failed to fully appreciate the compliance costs of the measures it introduced only two years ago. This is typical of the Howard government. It does not take the issue of red tape reduction seriously.

In the case of this measure, the government are having to correct their own mistakes only two years after the measures were first introduced. When we sit back and look at what the minister is seeking to do in this bill, it really is something of an embarrassment to the government. It makes one wonder how many other compliance problems are out there resulting from government policy that they have not fully thought through and are failing to correct.
Just last week the Australian Industry Group put out a new report on red tape. It estimates that the annual cost of compliance with tax requirements for small businesses amounts to $1,667 per employee per year per small business. This shows that the government approach to reducing compliance costs for small business is still rather half-hearted. It continues to take the sector for granted.

Although Labor supports the bill, it is still concerned to ensure that SG compliance is enforced. If an employee is only notified annually by the fund and something goes wrong in the process of that contribution, it is all too late after 12 months for the employee to learn of the mistake or of the insolvency of the fund. There are significant non-payment problems in relation to the superannuation guarantee, and often the problem is not identified until the business concerned is bankrupt or in the hands of the liquidator.

While it is difficult to obtain an accurate number of superannuation guarantee payment defaults on business failure, it is certainly in the tens of thousands each year. Many workers have lost years of superannuation in these circumstances. Most often they are those workers who can least afford to lose their superannuation savings: low-income workers or those who will face difficulty in finding employment after the collapse of their employer’s business. The comprehensive employee entitlements protection scheme that Labor took to the last election would have solved all of these difficulties and given employees adequate protection. Labor will monitor this legislation closely to see if it has an adverse impact on SG compliance, while trying to establish that the balance is correct between compliance for small business and of course protection of the employees’ superannuation contributions.

With all this talk of reducing compliance costs for superannuation funds comes an amazing sense of irony. The Howard government is about to impose on the sector the most extraordinary compliance burden it has faced for some time—and that is a big statement, given the recent compliance pressures imposed by the GST. The hit will come from a massive new wave of regulation as a consequence of the government introducing so-called choice of superannuation funds. New forms of regulations, extra costs and additional legal liability will come with the so-called choice. Small business is likely to face a substantial administrative burden, as it has to bear the higher cost burden of catering for different employees’ various choices of superannuation funds.

So this bill is a great irony. Here is a government, in one single calendar year, imposing choice on small business which will impose an enormous compliance burden on the small business sector but at the same time, with the debate on this bill tonight, seeking to portray itself as reducing that compliance burden on small business by suggesting that these small businesses should no longer have to contribute or make an assessment or report to their employees. I am very happy to see in the House the member for Chifley, who has always shown a strong interest in small business issues generally and in particular on this bill, as we had a discussion earlier tonight.

So, while Labor will support this bill, we do criticise this government for talking about reducing the compliance burden on small business but in fact often acting to increase it. Bills like this, which are bandaids to correct past mistakes, simply reveal how far the government has to go before it seriously secures any credibility on the issue of the regulatory burden and compliance for small business.

There is a range of bills coming before the House over the course of tonight and indeed the morning which address this issue of red
tape and compliance for small business. I am not going to say too much about them now because the opportunity will be given in greater scope when debating the bill after the next one, which deals with the government’s new remedy for compliance on GST measures. That will give all members of the House an opportunity to talk about the government’s failure to address these red tape and compliance issues, and I look forward to members of the government, in particular, putting forward their views on those issues.

I repeat again that the opposition reluctantly, in a sense, is determined to support this bill and not hold up its passage through the parliament, but we see it as a bandaid measure and another example of the government’s piecemeal approach to red tape issues and failure to introduce a real blueprint and holistic approach to the burden placed on small business by not only this government but previous governments too—and we are always happy to acknowledge that. In particular, they have not addressed the significant compliance burden placed upon the small business sector by the not all that recent introduction of the GST.

Mr CAMERON THOMPSON (Blair) (9.38 p.m.)—It is a pleasure to be part of the debate tonight on the Tax Laws Amendment (Superannuation Reporting) Bill 2004. The bill makes amendments to the Superannuation Guarantee (Administration) Act 1992. This is a good news bill that has a positive impact for small business and for many small businesses, particularly, I submit, in my electorate. The government has had a very proud record on superannuation in recent times with the amendments and the changes it has made. There have been some very innovative moves. At the start, I would particularly like to point out that the government has introduced the co-contribution scheme. Unfortunately, the Labor Party promised to abolish that at the last election. Under that scheme, the government contributes $1.50 for every $1 of voluntary personal contributions to a maximum of $1,500 for employees on incomes up to $28,000. That is a very good, positive initiative, and there is a range of others on the record from the government’s side. I would like to recap on those before speaking particularly about the ramifications of this bill.

To begin with, the government has made steps, for example, to allow married couples who separate to split their superannuation benefits. Changes the government has introduced have enabled, for example, the creation of a superannuation spouse rebate under which contributions can be made by an individual on behalf of their low-income spouse. There are also changes that have allowed proceeds from the sale of a small business to be used for retirement income purposes. These are very solid changes that provide the kind of flexibility that the government needs to seek in order to support people in the community who come from many different backgrounds with many different opportunities before them. They all climb this ladder of opportunity, which we have heard a lot about from the opposition recently, in different ways but they all seek the same end outcome—that is, advancement and the opportunity to prosper.

Unfortunately, from the opposition, we have had many prescriptive measures, many less flexible measures and many proposals that would confine the range of options for people. I do not believe that that is the way we should be heading at all. The government in recent times has allowed the introduction of retirement savings accounts. That has allowed banks, credit unions, building societies and life offices to directly offer low-cost superannuation accounts. We have made changes to the way small superannuation funds are regulated so that if you are a self-managed superannuation fund, you are now...
no longer facing the same full suite of prudential requirements faced by larger funds. There is also the pension bonus scheme, which provides Australians who defer claiming the age pension and who choose instead to remain in the work force a tax-free lump sum bonus.

That is illustrative of part of the range of different pursuits and ways in which people go about providing for their retirement income. It is important that the government and, I suppose, the alternative government, the opposition, grapple with ways to provide them with incentives to use their different circumstances to the best possible outcome. We have not seen that range of opportunities coming forth from members opposite. The previous speaker said that the government was attempting to portray itself as reducing the red tape burden and he was critical of the government about that. Unfortunately, I do not think that the opposition has really even attempted to portray itself in that manner, and its degree of aspiration to reduce red tape, particularly in relation to superannuation, is pretty much minimal.

I would like to urge members opposite to be far more creative in the way they approach these schemes rather than trying to be more specific about the obligations. Instead of that, they should seek a more open-ended kind of approach, the opportunity that enables people to choose their own path and be more creative in putting together a retirement income. Once again, we heard the member opposite saying that in this particular bill Labor wants the way things work more clearly specified. I do not think that it is necessary, when you look at what is provided within the bill, for us to be more specific. I think it is important that we take into account the high range of protections that people already have, build on those and look for ways in which we can offer them more incentives. We should not be constantly criticising or looking to restrict the options for people, because that is only going to reduce the incentive and attractiveness of engaging in preparation for post retirement.

The Tax Laws Amendment (Superannuation Reporting) Bill 2004 is part of the government’s commitment to reducing the compliance burden on all businesses, particularly small businesses. In July this year, the Prime Minister made a statement called ‘Committed to Small Business’. That is very apt because that is certainly what the government is. As part of that statement, he outlined five measures to ease compliance costs. I would like to run through those. They take the form of five bills: the Tax Laws Amendment (Small Business Measures) Bill 2004, the Tax Laws Amendment (Superannuation Reporting) Bill 2004, Tax Laws Amendment (Retirement Villages) Bill 2004, Tax Laws Amendment (2004 Measures No. 6) Bill 2004 as well as the New International Tax Arrangements (Managed Funds and Other Measures) Bill 2004.

The government is comprehensive in its approach to superannuation but, when I was speaking on a similar bill just a couple of days ago, one of the most important points to be made is the fact that superannuation is going to be a moving feast for the foreseeable future. The changes that we make, remake and make again are going to have to track changes in the environment and in the opportunity for people to earn business income. They are going to have to take into account the kinds of measures that are occurring within the funds themselves, the opportunities that are presented to individuals and the general business environment as well because it is very important that we support small business in particular and business generally in order for them to grow and create wealth in Australia.
In the last speech I gave, I did refer also to the fact that some countries, such as Japan, have had zero interest rates for some time. In an environment like that, the kind of preparations you have to make for retirement incomes are completely different from what we currently face in Australia and what other countries in the world face. Yet we have to prepare and make a framework within which all those kinds of possibilities can be accommodated, can be prepared for and can basically be there for people to adopt when the opportunity presents itself—if it does—or, if it is heading in the other direction, then it has to be a situation where people are protected, where the added flexibility you have provided does not wind up becoming an albatross around their neck. So the obligation of the government is to provide not only a flexible scheme but also something that has a basic protection built in as well.

This piece of legislation removes the need for employers to report superannuation contributions made to employees from 1 January 2005. As I said before, it is of particular benefit to employers of casual and itinerant workers. I have to say that these are very prevalent in my electorate, so it is a very good opportunity to speak on these issues tonight. I look around the Lockyer Valley, around the towns of Gatton, Laidley, Forest Hill and that area, and see that we have a very productive valley which relies for its income and wealth on itinerant workers who move in and follow the seasons. We are very fortunate because, if you look at the productivity of that valley, you see that the output is pretty much flat. We have a very strong output in the winter months just as we do in the summer months so the seasonal workforce comes and goes, moves and fluxes—one from the other.

The major point is that this huge opportunity for wealth production in that area is built largely off the backs of people who work itinerantly, who come to our area and move on to other areas, being prepared to get out there in the hot sun and pick vegetables and fruit. It is hard work but a good picker can make good money, and they often enjoy the lifestyle and the travel that comes with it. Of course, that itinerant lifestyle means that superannuation is a very difficult provision to make—particularly because, along with the people who are dedicated pickers, there are many backpackers and people who come and go. They might be in the industry for no more than two days. They might be in the industry for two weeks. They might be in it for a lifetime. So it is hard to make generalisations about the way in which superannuation should be presented in that particular activity.

Under the former member for Hindmarsh, I was privileged to take part in producing a report into the harvest trail activities and the people following the harvest trail. We tried to work at ways in which to make issues like superannuation more flexible. I have to say that this measure that we face here tonight is very important. You need to provide incentives to the employers that clear that paperwork, get it off their plate and enable them to offer the kind of employment that these pickers are desperately seeking. This is something that is provided for in these circumstances.

The fact is that superannuation information is readily available to employees from their funds. Under this legislation, employees will still be provided with information on at least an annual basis and many will receive information more frequently. In the past, employers have been required to report within 30 days of a contribution being made. The government recognises the importance of reducing compliance costs for small business and has made the reduction of red tape a priority. This legislation is a good example of that.
I found an interesting paragraph in a government booklet that outlined this case. The article quite rightly seized on the example of an employer hiring itinerant workers who might be out picking their crops. It says:

Bindi is a horticulturist and runs an orchard in Victoria.

In this case it is Victoria; it could certainly be around my area of Gatton—

She employs up to 300 fruit pickers during the picking seasons.

You can see, Mr Deputy Speaker, that the paperwork that goes with that is massive and yet you are required to have that number of workers otherwise you are not going to get the crop off, you are not going to maximise your income, you are not going to maximise the opportunity for you to offer more employment again next year and you are not going to give the local communities an opportunity to prosper through your hard work.

The article continues:

The changes mean that from 1 January 2005, Bindi no longer needs to report under the Superannuation Guarantee arrangements on contributions made on behalf of her employees. All of her employees will receive at least an annual report from their superannuation fund. Bindi will continue to make quarterly Superannuation Guarantee contributions on behalf of her employees.

These sorts of changes that eliminate red tape are very important. I think the government has shown that it is fair dinkum about trying to push through for small business and make changes that really, truly are effective in reducing red tape. Like many members on this side of the House, I look forward to the opportunity that will arise when control of the Senate falls within the government’s reach, because a large number of the red tape burdens that have been created in recent times, often inadvertently as far as the government is concerned, have come as a result of changes to legislation made in the Senate. They have often been quite regrettable changes—things that the government certainly has not set out to support.

I would like to highlight the kinds of changes that have affected the Diesel Fuel Rebate Scheme, for example. Lines appeared on a map and suddenly people were filling in all kinds of bits of paper to keep track of the diesel rebate scheme. We have also seen contractors with purpose-built off-road machinery finding themselves at a competitive disadvantage to people with far less effective equipment, purely because of the red tape burden that has been added by the Senate. We have seen things like environmental restrictions put in place by the Senate which supposedly discourage the replacement of diesel plant. What does this do? It eliminates the replacement of old, smoky diesel plant that really should be replaced. If you can call that an environmental measure, I do not know how you do it, but it is the kind of tangled logic—

Mr Fitzgibbon—Mr Deputy Speaker Jenkins, I rise on a point of order—reluctant as I am at this hour of the night. I am struggling with relevance here and I ask you to rule on it.

The DEPUTY SPEAKER (Mr Jenkins)—Order! I am sure that the honourable member for Blair understands the requirement to be relevant.

Mr CAMERON THOMPSON—I was speaking about red tape being applied to small business. The member opposite made quite a deal—

The DEPUTY SPEAKER—Order! And, I am sure, responding to remarks made by the honourable member for Hunter that invited such remarks.

Mr CAMERON THOMPSON—Indeed. So I have followed him down that path. I must say that one of the major impacts that this bill will have will be to reduce the red tape burden on small business. The way we
go about approaching, and the way we need to approach, that red tape burden are many and varied.

There are also a number of different measures that I need to point out to members opposite, particularly in relation to the question about how employees are going to be advised about their entitlements—the fact that payments have been made. We should recap some of the protections that are out there. There are a number of provisions in Australian workplace legislation and awards that require employers to report superannuation contributions on pay slips. The Workplace Relations Act 1996 requires employers operating under federal awards, certified agreements and Australian workplace agreements, as well as Victorian and territory employers, to provide information on pay slips in relation to superannuation contributions. In Queensland and South Australia they also have similar provisions requiring employers to disclose information on pay slips about superannuation contributions they make.

The fact is that awareness of the importance of superannuation is growing all the time. Awareness of your rights as an employee in relation to superannuation contributions is growing all the time. These days people do make use of that information provided readily on pay slips to monitor the flow of their superannuation contributions and the contributions from their employers to ensure that they are getting good value for money and an effective provision for retirement. It is important to remember also that members of any super fund are able at any time to receive information from that fund. They can seek it and they can have it provided to them.

The coalition has been very active in dealing with superannuation. It is important to realise just how accepted and effective superannuation has become as part of our retirement finance culture. It is embraced by employees who, as I said, are taking an active interest in their funds, and it is effectively used by employers. I think we have a mutual benefit occurring because of good management at both levels. I think it is important that we facilitate that and that we do not overregulate, as is constantly the temptation that appears to raise its head on the other side of the House. We do not need to overregulate, and it is important that members in superannuation funds have the freedom that is being offered to them here.

Over the years we have seen various options put forward by the Labor Party. As I said, speaking in general terms, these have tended to be prescriptive. For example, just look at the way the Labor Party reacted when the government proposed to give employees a choice about which funds should receive their superannuation contributions. That is something that I thought would please members opposite, but of course that was not the attitude taken by the Labor Party. Employees can be disadvantaged, for example, when an employer makes contributions to a fund that has not performed well or is not the fund the employee would have otherwise chosen. It is important that they have that freedom, and that is something that the government has acted already to provide. The mandated arrangements that are continually being entertained opposite are not the way to go in superannuation. It is important that we promote freedom of choice and a range of opportunities. I endorse the steps that have been taken by the government to achieve those ends. Thank you for allowing me to speak this evening.

**Dr EMERSON** (Rankin) (9.58 p.m.)—Legislation was passed in 2002 requiring quarterly payments by employers of superannuation guarantee contributions. That legislation followed intense pressure from the
Australian Labor Party because we were concerned, rightly, that there was far too much avoidance of superannuation guarantee contributions by businesses facing financial difficulties. It was quite common for businesses to use the superannuation guarantee entitlements of employees to prop up their own cash flows when they were in financial difficulties, no doubt hoping that they would be able to trade out of those difficulties. But, when they could not, of course the employees’ entitlements were lost. We regarded that as unacceptable, and I think it is fair for Labor to claim a great deal of credit for the legislation that was passed a couple of years ago.

Since around 90 per cent of businesses were already paying quarterly at that time, the legislation affected about 10 per cent of businesses that were not paying quarterly. Most of those businesses were in fact small businesses. The same legislation that was enacted two years ago required quarterly advice to employees that the superannuation guarantee had in fact been paid. That had the great benefit of allowing employees to follow up quickly if they were becoming concerned that the employer was defaulting on their superannuation guarantee contributions. This bill before the parliament, the Tax Laws Amendment (Superannuation Reporting) Bill 2004, removes that quarterly reporting requirement. While Labor understands the objective of the government in modestly reducing the red tape burden on small business, Labor is also worried that the result will be an increase in the defaulting on superannuation guarantee contributions.

Some employees, perhaps many, will not know if defaulting has occurred until up to a year later. In order to ascertain whether there is a problem, employees in many instances will have to inquire of their superannuation funds. Ironically, government contributions to the debate on this legislation have pointed out that the award system in many instances provides a safeguard for employees because, under relevant awards, there is an obligation on employers to report the superannuation guarantee contributions to employees. This is the very same award system that the government wants to destroy. So will we be back here some time in the future, once the government has completed its work—when it has control of the Senate—further reducing the allowable matters that can be included in awards? Will those matters mean the deletion of the superannuation guarantee reporting requirements that are in some of these awards? I find it strangely ironic that the government could be seeking to reassure the House that the award system will provide a safety net of reporting requirements for employees when in fact the government is intent on destroying the award system. That was made clear before and during the recent federal election campaign. It is clear that the government regards the award system as some sort of centralisation of the wage fixing system and wants nothing of the award system in this country. Therefore, if it gets its way even that minimum reporting requirement may go.

The whole issue of payment of superannuation guarantee contributions on a quarterly basis, as reflected in the legislation two years ago, raises the matter of the adequacy of the government’s protection of employee entitlements. Under the GEERS arrangement that protection is by no means complete. Yet, during the election campaign, in the very early days, the then Minister for Small Business and Tourism, Minister Hockey, was asked on 30 August 2004 by Steve Price on Radio 2UE about the government’s arrangements for protecting employee entitlements. Mr Hockey said:

Well, we already had a fund that covers employee entitlements ...

To her credit, the member for Sydney asked:
Do they get a hundred per cent of their entitlements, Joe?
Minister Hockey answered:
Yes, they do. Yes, they do.
We have the then Minister for Small Business and Tourism saying that under GEERS employees get 100 per cent of their entitlements. He knew that to be untrue, because the legislation and any explanatory material makes clear that the GEERS arrangements do not pay 100 per cent of employee entitlements and that GEERS is capped at eight weeks’ redundancy pay but—importantly for the purposes of this legislation—GEERS does not cover any unpaid superannuation. So we have the then Minister for Small Business and Tourism, in an election campaign, telling the Australian public that GEERS covers all entitlements, including 100 per cent of superannuation guarantee contributions. That is completely untrue. It scarcely rated a line in the media the next day. That is one of the problems with election campaigns in that government ministers can make patently untrue statements and not be picked up, because the campaign rolls on. I do want to take the opportunity in debating this legislation in the parliament to point out that the minister knowingly said to the Australian people something that was untrue.

In fact, documents obtained through freedom of information reveal that the limits on GEERS that I have just mentioned have left working Australians $35 million out of pocket. The Howard government is pretending to protect employee entitlements but is in fact short-changing one in five claimants—that is almost 4,000 working Australians—by an average of $9,000 each. A significant part of that is superannuation payments that have not been made. Those entitlements are not protected under GEERS. Indeed, the only employees in this country who have enjoyed the protection of 100 per cent of their entitlements are the employees of John Howard’s brother, Stan, in the National Textiles case. So for the former Minister for Small Business and Tourism to assert that all employees get 100 per cent of entitlements is outrageous, because he knows that only the employees of the Prime Minister’s brother, Stan, enjoyed that, as a result of legislation in parliament.

The superannuation guarantee is a Labor initiative. It is a Labor initiative that the government opposed when it was in opposition with every breath and every step that it could possibly take. It hated the idea—and it still hates the idea, by the way—of compulsory superannuation contributions. Before the 1996 election, the government produced a document which is now very difficult to find. You will not be able to find it on any web site, Mr Deputy Speaker Jenkins. That document is called Super for all: security and flexibility in retirement. It made this commitment:
The funds earmarked in the 1995-96 budget to match compulsory employee contributions will be provided in full in a manner that is both efficient and equitable.

That was the commitment: that those funds would be provided in full—billions of dollars of funds that were destined for the retirement incomes of working Australians. The truth of the matter is that in the 1997 budget, not long after it was elected, the Howard government vandalised the scheme. It axed that co-contribution from the Commonwealth. It put in its place something that has now receded in the memories of most Australians and, I dare suggest, even in the memories of most of the parliamentarians who were in the parliament at that time. That something was the ill-fated savings rebate. I wonder if anyone here tonight remembers the savings rebate. It was an initiative the Prime Minister announced to replace the superannuation co-contribution that the previ
ous Keating government had fully provided for in the budget. It lasted for a grand total of six weeks. Those who do remember back to that period might recall the Prime Minister being asked whether he would in fact avail himself of that savings rebate. He said he would not, the place collapsed in laughter and the scheme was scrapped, having lasted only six weeks.

The reality is that the government stole from the Australian people those retirement income savings that were allocated in the 1995-96 budget. It pretended to give some of them back in the ill-fated savings rebate, but it ended up giving none of them back because it scrapped that scheme before it got off the ground. Then the government waited, all the way from 1996 to 2000, and used some of the funds that it had stolen from the Australian people to pay what the Treasurer described as the biggest income tax cuts in Australia’s history. Those income tax cuts were in fact little more than GST compensation, because the Treasurer was fond of forgetting or failing to mention that the reason those income tax cuts were being paid was to compensate for what is now a $32 billion tax. It is a tax that is the orphan child of the Treasurer, because the Treasurer and the Prime Minister to this day hold their hands to their hearts and say, ‘This is not a Commonwealth tax.’ The member for Capricornia was here while we were debating, day after day, week after week, the GST legislation. Yet the government say, ‘It is not our tax.’ The Auditor-General says it is a Commonwealth tax. The Australian statistician says it is a Commonwealth tax. The GST legislation says it is a Commonwealth tax. But the Treasurer and the Prime Minister say, ‘It has nothing to do with us, it is a state tax.’ The point is that the government used the savings of Australians, diverted them from the superannuation funds they were destined to go into and used them to fund the tax cuts of the year 2000, which were little more than GST compensation. Such is the brazen behaviour of this government.

When I speak of the ironies of the award system, I should point out that there is another supreme irony associated with this legislation. It is that the legislation before the parliament is designed to ease, ever so slightly, the red tape burden—the compliance burden—on small business, yet the government has enacted legislation in this very same area of superannuation that will massively increase the compliance burden on small business. I am talking about a thunderous problem of which the small business community is not yet fully aware.

I refer to the legislation providing a choice of superannuation fund to employees. Under that legislation employers are required to offer each employee a form that effectively allows them to select a fund. This is a new form. It is a completely new paperwork burden. Employees will need to act on those forms. They will need to respond to the forms they are offered. Once the employer has gone through this paperwork, the employer must then pay superannuation guarantee contributions into the various funds that each employee chooses. So, for a small business with, say, 15 employees, there will be up to 15 different superannuation funds. This will not happen immediately, because many employees will choose the one, perhaps, that they are already contributing to. But over time they will shop around and as they do they will turn to more and more varied funds.

Already there are thousands of superannuation funds, and so the compliance burden becomes clear to all. If you have 15 employees then over time each employee may choose a different fund and therefore a small business with just 15 employees will have to make contributions into 15 different funds.
Of course, if an employee changes his or her mind, that adds to the paperwork burden. This is all being done in the name of choice, but it certainly places a heavy compliance burden onto the shoulders of small business—as if that burden were not already heavy enough with the GST.

On this matter of regulation and compliance burdens, it is true that when the Prime Minister was Leader of the Opposition back in January 1996 he said:

... I will be establishing a small business deregulation taskforce. That taskforce will have a specific brief from me as Prime Minister, to report within six months of the new Government taking office. Its main responsibility will be to advise on ways in which the regulatory and paper burden on small business can be reduced by up to 50%.

That was the Prime Minister’s commitment on 31 January 1996. More than a year later, on 24 March, the Prime Minister conceded in a ministerial statement:

The volume of tax legislation has become a tidal wave which threatens to overwhelm small business.

In the same statement, he said:

During the election campaign we committed ourselves to the goal of reducing the burden of paperwork and red tape on small business by 50 per cent in our first term. I am confident that our response to the Bell report, along with other initiatives we have already taken, will make a substantial contribution to that objective by the end of our first term.

The Prime Minister reiterated his confidence, he reiterated the commitment to cut red tape by 50 per cent. Then, on 14 August 1998, on the Alan Jones program the Prime Minister was asked:

Will the number of pages in the tax act be reduced by the introduction of a GST?

The Prime Minister said:

Yes it will because some of the anti avoidance measures which take up a lot of pages are going to disappear. I don’t know by how many pages but it will be some reduction I understand.

Going forward to 22 September 1999 and there was still no progress on reducing the burden on small business and the complexity of the income tax act. On 22 September 1999 on the same program in relation to the tax act, Alan Jones said to the Treasurer:

It’s unreadable and unintelligible, there’s a massive GST program that is going to overtake us ...

The Treasurer said:

... that’s right. And that is why we’ve got to get the number of the pages of the Tax Act down. That’s what we’re working on right at this moment.

More than five years ago, on 22 September 1999, the Treasurer said that they were working hard at reducing the number of pages of the income tax act. Let us find out from an independent analyst what has actually happened. On 23 December 2003, Gary Banks, the Chairman of the Productivity Commission, said:

The Income Tax Act—often taken as a regulatory ‘barometer’—has grown particularly rapidly since its inception. At nearly 7,000 pages, the—

Income Tax Assessment Act—is now nearly 60 times longer than the paltry 120 pages that did the job when it was first introduced in 1936.

Going forward to 15 January this year and to the ABC radio program Life Matters, Julie McCrossin had Michael Inglis appearing on that program. He is a Sydney based tax barrister. When referring to the income tax act and the other legislation, he said: ‘Currently in fact it’s a few months old, 10,500 pages for your income tax legislation. Add in GST, FBT, super, 13,500 pages, 9.5 million words.’ The government promised to cut red tape by 50 per cent when the income tax act ran to 3,500 pages. It has done virtually nothing other than preside over an explosion in the size of the income tax act—from 3,500
pages to 10,500 pages for the income tax act alone, then add in the GST legislation which in 2001 the Treasurer said did not need any further amendment. There are now 2,000 further amendments to that tax act, some more of which we will be discussing tomorrow. Give us a break. When the Treasurer and the Prime Minister say that they are intent on easing the regulatory burden on small business, we know what they mean is compounding the regulatory burden, weighing down small businesses so that they cannot get on with the job of making a living. This legislation goes a tiny way to easing some of the burden but it nowhere near covers the massive increase in the regulatory burden on small business. This government is no friend of small business; it is a friend of regulation. (Time expired)

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (10.18 p.m.)—in reply—I thank the honourable members who have participated in the debate tonight. I thank the members for Rankin, Hunter and Blair for their contributions, albeit sometimes not necessarily on the subject matter. The government has listened to business and to their concerns. The Tax Laws Amendment (Superannuation Reporting) Bill 2004 gives expression to those concerns by removing the reporting requirements on a quarterly basis. In fact, the legislation ensures that the superannuation contributors can still have timely and accurate advice as to the payment of their superannuation contributions to their particular funds, without having the burden placed on the businessperson. Of course, that is what we are all aiming to achieve here. I particularly welcome the comments from the member for Hunter who said that it was a genuine attempt to reduce the compliance burden, which of course is exactly what it is.

We are mindful that we do not want to see people’s superannuation funds disappear. As such, the reporting of them by a particular employee will not necessarily guarantee that they are paid in accordance with the law. The way to be assured of that is through the reporting and the acknowledgment from the super fund that it has received those funds. The member for Rankin made the point earlier in the debate that the member for Blair had said that awards allow for and require, in many instances, reporting of the superannuation contributions on pay slips and that he was concerned that the government would somehow wind this back when it gains the numbers in the Senate next year. The fact is that the Workplace Relations Act 1996 does require employers operating under federal awards, certified agreements and Australian workplace agreements to make that information available. So we not only have that in the awards but we have that in the agreement making processes that are in place. In Victoria and in the Territory, employers also have the same obligation. Queensland and South Australian employees have the same benefit in a very similar provision requiring employers to disclose this information on pay slips. So there will still be a large number of people who would receive this information on a weekly, fortnightly or monthly basis, depending on how they are paid.

The opposition spoke about choice and how choice was somehow going to massively increase the red tape burden. I am somewhat confused by that. The reality is: is the opposition for choice or against choice? There will be an opportunity I am sure in the days ahead for the member for Hunter, as spokesman in this place on these issues, to clarify this. The reason I bring this up is because earlier in the year, when addressing the ISFA conference up on the Gold Coast, Senator Sherry stated that a federal Labor government would expand the government’s superannuation choice regime by extending it to employees on state awards—despite the
party’s opposition to the legislation in the parliament earlier that month. So I find it just a little confusing that we have had both the member for Rankin and the member for Hunter saying that this is of, and I quote the member for Rankin, ‘massively increase the red tape burden’—that is, choice—yet prior to the election their own spokesman was saying that the Labor Party’s intention was to, in fact, enforce choice onto state awards if they could not come to that agreement in their own way. Perhaps some clarification on that would be interesting.

The member for Rankin also talked about the coalition government stealing from the Australian people, in the form of co-contributions. I remind the member for Rankin that we had an election only a few short weeks ago. Two clear choices about superannuation were taken to the Australian public. On the one hand, we had the coalition, which was advocating, and has legislated for, a super co-contribution of 150 per cent—$1.50 for each dollar that is actually contributed by low- and middle-income earners, up to $58,000 worth of income—and, on the other hand, we had the Labor Party, whose policy was to remove that, to the great detriment, I think, of the savings nest eggs of many Australians. That policy was, in fact, to steal $3.8 billion out of Australia’s retirement incomes into the future. When the Labor Party looks at moving its policies forward, I would hope that it repudiates this one as being a mistake and puts it into the past, recognising that co-contributions do in fact empower people and that they empower those that need the assistance the most—that is, low- and middle-income earners. To that end, we feel that when Australians have the capacity to choose for themselves and have the incentive to invest in themselves then it is through those measures that they will take a keener interest in not only where their money is but the fact that it is being paid, and how it is accumulating. Doing so is the best empowerment that we can give them.

The government does recognise the importance of ownership, and that is what all of these measures are designed to achieve. I am hopeful that the government will receive support for this bill in the other place. It is important to keep the compliance cost at a level that is not unjustifiably burdensome on the community. I thank the opposition for their support in this place. The members opposite also suggest that these amendments will have adverse consequences for employees. As I have tried to point out, I think that is misguided. In fact, the government totally repudiates and disagrees with that proposition. This does achieve the best of all outcomes, in that we reduce the burden of regulation and paperwork on business whilst protecting the benefits that superannuation accrues to employees. I commend the bill to the House. I am sure that small businesses around Australia will welcome it.

Question agreed to.

Third Reading

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (10.25 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TAX LAWS AMENDMENT (RETIREMENT VILLAGES) BILL 2004

Second Reading

Debate resumed from 18 November, on motion by Mr Brough:

That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (10.26 p.m.)—The Tax Laws Amendment (Retirement Villages) Bill 2004, the Tax Laws Amendment (Superannuation Reporting) Bill 2004 and, of course, the Tax Laws Amend-
ment (Small Business Measures) Bill 2004 all relate to the GST, in a sense. The superannuation reporting bill may be scoping a bit more widely, but certainly all three of these bills relate to the GST and compliance for small business. Retirement villages and those who provide aged care services very much constitute small businesses. Isn’t it amazing: 4½ years after the introduction of the GST, here we are in one evening dealing with three bills designed to address some of the complexities, anachronisms, problems, concerns, challenges and hurdles that flow from the introduction of the GST. Yet the government would have us believe that out there in the small business communities, and of course in the retirement villages sector, all is well with the GST. Day in and day out, the government comes in here at question time and reminds us all how pleased the various state governments should be about the big flow of GST revenue that they are receiving.

We know that, without doubt, this is the highest taxing government in Australia’s history, but I do not hear any particular cheers from the state governments, who, as you know, Mr Deputy Speaker, face crossover dates well beyond 2004 and 2005. We all know that there is not a state government out there enjoying the fruits of the GST labour. We know that there are many small businesses out there suffering under the burden of the GST, and 4½ years later we are finally hearing from a government which has decided to address some of these issues—first on superannuation reporting, and tomorrow we will be hearing a fair bit about the BAS obligations and all the paperwork and burden that comes with those obligations. But we will not be hearing any remedy for all small business; we will be hearing a remedy for just those small businesses with a turnover of $50,000 a year or less. What is wrong with a government that finally identifies a problem with its own tax system but decides the remedy it is applying shall only apply to those firms with a turnover of $50,000 or less annually? I suggest to you, Mr Deputy Speaker, and to all members of this House that this is a government that just does not understand small business.

The bill before the House right now demonstrates that this is a government that has been in denial. It has been unprepared to admit, up until this stage at least, that the GST is adversely affecting certain individuals and small businesses and certainly, in this instance, people—usually not-for-profit organisations—who seek to care for the most vulnerable in the Australian community. These are of course older Australians—people whom we should be concentrating our compassion and care on most, because these are the people who have given us the opportunity to enjoy the living standards we have today, who did the groundwork, who set the standards for the Australian community and who have given us the comfortable style of living we enjoy today.

This is the mea culpa for the government after 4½ years. After 4½ years, in introducing this bill and in the debate which is ensuing, the government has finally admitted it got it wrong in terms of how the GST will apply to those living under certain arrangements in retirement villages. It is a debacle that we have been living for 4½ years now—and this is the remedy.

I want to take the House through the history of this, because it is pretty important. First of all the government said that GST would not apply to anyone living in a nursing home or retirement village. Of course it would say that, because to say otherwise would be political death. So it promised that no-one living in a nursing home or retirement village would be affected.
It is probably an opportune time to remind the House of who the Minister for Aged Care at the time was: it was the member for Mackellar. She was such a compassionate soul! We will all remember her interventions during question time. We will all remember the questions during question time when she feigned concern about the impact of the GST on residents in nursing homes and retirement villages. But of course it was just that—it was just feigned. It has been demonstrated by the member for Mackellar and by all those who followed her. There was a procession of aged care ministers at the time, as you might recall.

We are reminded that it was Sir Humphrey Appleby stuff. None of the ministers concerned had any real idea of how the GST applied to the circumstances which existed under their portfolio. But it was the Treasurer of the day—the same Treasurer that we have had since 1996—who had real control over this issue. That of course is the member for Higgins. I am surprised he is not in the House on this occasion apologising to all those older Australians who have been living with fear and uncertainty since the introduction of the GST. Up until tonight, that uncertainty has followed as a result of the government’s unpreparedness to clarify this situation.

Let me go back to where it all began. The sector, as a consequence of the questions arising—mainly from the opposition at the time—intervened and made some statements about how the GST would apply to retirement villages and nursing homes. In 2003, they began a review of how the GST would apply in these circumstances. As part of this review process, the ATO came to the controversial view that those living in what they called ‘serviced apartments’ in retirement villages were effectively living in their own houses. As services provided to persons in their own homes are generally not GST-free, this implied that services applying to people living in these so-called serviced apartments would, consequently, not be GST-free either. This was made clear to the sector in the ATO’s consultation process.

The ATO subsequently prepared a draft ruling, but it did not release that draft ruling, which we all—particularly those members on this side—found pretty strange at the time. What occurred next was a farce in public policy terms. Again I signal the current Treasurer, Mr Costello. When word of the ATO’s hardline decision spread, many in this sector understandably began to panic. They feared that they would be charged significant back taxes and penalties if they did not correctly apply the current law as it stood. So retirement villages started to increase levies to their residents as a means of covering themselves for these potential back taxes.

Some operators seriously questioned their financial viability when they considered the level of potential tax arrears that might be applied to them if the outcome were applied unfavourably in their terms. Others just took the risk—they just did not apply the tax and hoped that the outcome would be okay. They took a great leap of faith. The others took the more cautious approach and decided they would impose the levies. Of course, the impost of that decision fell on the residents in their villages.

We had an extraordinary situation. We had people in one village having GST imposed upon them, with all the consequences which go with that when you are on a low fixed income, and those in another who were not having that tax imposed on them because their managers somehow had faith in the government of the day and had faith that somehow it would all work out in the end. I can say this: those who took a great leap of faith have a lot to thank the opposition for in terms of its approach the issue, because if the
opposition had not chosen to react and to put pressure on the government in relation to this issue there is no doubt in my mind—and I know in the minds of those who work in the sector—that this issue would not have been resolved in favour of the retirement village management or the residents of those villages.

So the farce continued. It is clear that, while the ATO had made one decision, somehow or other along the way in a pre-election climate the government started to sense it had problems in this area—in the same way, Mr Deputy Speaker Causley, as you would remember as well as anyone, that the government sensed it had a problem in the area of caravan park residents at around the same period. In that pre-election climate, and with the fear of reprisal at the ballot box, the government started to review its situation. Up and down the country, Labor members and candidates were waging war against this uncertainty which is another example of the grey area of the GST.

On 10 August this year, the then shadow Treasurer, the member for Hotham, asked the Treasurer a question without notice. I want to share it with the House because I think it is critical to making my point. He asked:

Is the Treasurer aware of reports that Mr Charles MacDonald of the Retirement Villages Association has stated that, as a result of uncertainty arising from the Australian tax office’s deliberations on a draft ruling on this matter, some retirement villages are already being advised to start making provision for this GST impost? Is the Treasurer aware that, in December 2003 and June 2004, the Parliamentary Secretary to the Treasurer wrote to the member for Petrie—

And I note she has joined us in the House tonight, which is a convenient coincidence—confirming that the Australian tax office was preparing a draft ruling on this matter which contravened government policy and implied support for this change?

I am delighted that the member for Petrie joins us in the House at this time. She, of course, was one of many members involved in this issue. I did her a disservice earlier in the debate when I suggested that only members on this side of the House were expressing concern and taking up the fight on behalf of the many residents in retirement villages and serviced apartments who were to be whacked by this outrageous GST impost on the services being provided to them. So I do give due credit to the member for Petrie for the excellent work she has done in this regard. And she would no doubt join with me in rejoicing at this enormous backdown, albeit after 4½ years, on the part of the government—this final recognition that these people have been treated unfairly.

For 4½ years these elderly people have been living in fear and uncertainty at the prospect of having this GST imposed upon them, not to mention the management committees who, wisely and understandably, were not prepared to impose a tax on their elderly residents which they were not sure would ever be brought to law. I congratulate the member for Petrie on her very good work in this regard. I am always more than happy to give credit where credit is due and more than happy to give credit to a member opposite who is prepared to stand up to a Treasurer absolutely obsessed with things fiscal without any regard to the social consequences those matters can have on individual people.

I, like every member of this place, have high regard for strong fiscal management—a determination to keep the budget in surplus and all those ongoing positive effects that it has on the business of economic management in this country. Again I congratulate the member for Petrie. I am sure I am doing her a great world of good on her side and I am sure, the next time a ballot arises in the government party room, the member for Petrie
will be out there reminding people of the fantastic job she did defending the elderly people in her electorate of Petrie against the mean and nasty spectre of a Treasurer who has overseen economic policy in this country over the course of the last eight years.

But I return to my original point—and I can see the member for Petrie enjoying my contribution—which relates to the question in this place on 10 August this year from the member for Hotham, the then shadow Treasurer. I now share with the House the Treasurer’s response:

Retirement village residents in serviced apartments and independent living units are not GST free. That is the legislation and that is the policy which the government announced.

I do not know when the member for Petrie intervened, but obviously it was sometime after 10 August 2004.

Here we are in December 2004 and things have changed somewhat. In direct contravention of a core election promise, the Treasurer originally indicated that persons in serviced apartments and retirement villages were to be charged GST on their basic living services. He had, in fact, extended the GST into aged care—somewhere he said it would never go. I see the member for Gilmore in the House tonight. I know she has a strong interest in this issue. I know she was given every assurance by her Treasurer and by her Prime Minister that the GST would not apply to elderly Australians on their accommodation arrangements in retirement villages and nursing homes. But here, in the lead-up to the 2004 election, things were beginning to change: we had a determined Treasurer, as always with a smirk on his face, having promised originally that elderly residents in nursing homes would not be affected, saying that the legislation will stand and tough luck, basically.

But having given the member for Petrie some credit and the member for Gilmore a little less credit, suddenly something more important came along. And that more important thing, of course, was an election. Nothing can be more persuasive for a Treasurer, even one as determined as the member for Higgins, than an election. Indeed, nothing can make a Treasurer more determined than the prospect of becoming a leader after a fourth election win. So the economically dry Treasurer, the member for Higgins, suddenly has a reincarnation because he realises his big chance at becoming Prime Minister is passing before him. So with respect to the member for Petrie and the member for Gilmore, the reality is that it was the election that really changed the situation and that brings this legislation to the House tonight. Either the Treasurer misled the House or he had a change of view, and I have made out the case that he changed his view.

Tonight we have a bill before the parliament that clarifies the situation, but not before another instance of embarrassment to the government, because Treasurer Peter Costello was not about to run out and announce that he had changed his mind—that he would never do. I see the member for Higgins in the House tonight. I know she has a strong interest in this issue. I know she was given every assurance by her Treasurer and by her Prime Minister that the GST would not apply to elderly Australians on their accommodation arrangements in retirement villages and nursing homes. But here, in the lead-up to the 2004 election, things were beginning to change: we had a determined Treasurer, as always with a smirk on his face, having promised originally that elderly residents in nursing homes would not be affected, saying that the legislation will stand and tough luck, basically.

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Tonight we have a bill before the parliament that clarifies the situation, but not before another instance of embarrassment to the government, because Treasurer Peter Costello was not about to run out and announce that he had changed his mind—that he would never do. All that mattered to the Treasurer was that the member for Petrie, the member for Gilmore and others were able to go back to their electorates and say, ‘By the way, we’ve fixed that problem.’ But of course there was never going to be any public mea culpa from the Treasurer. There is no way in the world the member for Higgins would ever come out publicly and say he was wrong or say he lied or say he reneged on his promise.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The member for Hunter will withdraw that comment.

Mr FITZGIBBON—I withdraw that comment, Mr Deputy Speaker. He would
never come out publicly to say that he re- 
negeed on his promise that the GST would not 
apply to nursing homes, retirement villages 
or retired people in general in those situa-
tions—never would he do that. He can smirk 
in question time, but you will never see him 
at a press conference doing a mea culpa. You 
will never see him admitting he was wrong; 
you will never see him backing down on an 
earlier statement. He stood in this House in 
response to a question from the then shadow 
Treasurer, the member for Hotham, and said: 
Retirement village residents in serviced apart-
ments and independent living units are not GST 
free. That is the legislation and that is the policy 
which the government announced. 
And I can see the smirk on his face. I can see 
the disdain. I can see him standing at the dis-
patch box answering the question about this. 

Mrs Gash—You’re boring. You’re repeat-
ing yourself.

Mr FitzGibbons—And the member for 
Gilmore says I am labouring the point. Well, 
I am labouring the point, because I want peo-
ple to understand. I want them to see the pic-
ture. I want them to understand the circum-
stances at the time. The circumstances were 
that the Treasurer made a promise, the Prime 
Minister made a promise, the member for 
Hotham asked at the time a pretty appropri-
ate and to-the-point question and, smirking 
on the other side, the Treasurer stood his 
ground. 

Here is the point: he would not come out 
at a later point and say mea culpa. He would 
not say: ‘I was wrong. I apologise. I under-
stand there’s an election in the offing and I 
understand people are hurting. I understand 
there’s uncertainty. I understand that it is not 
only damaging residents of retirement vil-
lages but also putting a lot of pressure on 
what in many circumstances are not-for-
profit management committees. I understand 
all that, and we are going to do something 
about it.’ No, not this Treasurer. Rather it 
was Minister Brough, who snuck out of the 
chamber just prior to this bill coming on for 
debate, and I do not think that was a co-
incidence. I am sure Minister Brough knew 
only too well. He had had a look at the No-
tice Paper and at the speakers list and he 
knew exactly what was coming on for debate 
next. 

So the Treasurer slips Minister Brough out 
there to announce that there will be some 
changes—in effect, a big backflip. But you 
will never see the Treasurer of the Com-
monwealth, at least not the current Treasurer 
of the Commonwealth, making such a back-
flip. He slips out the Assistant Treasurer, 
Minister Brough, to make the announcement 
on his behalf, hoping that all those up in the 
press gallery will not notice that the Treas-
urer has now admitted to having broken a 
clear election promise from the lead-up to 
the 1998 election but, at the same time, has 
allowed his backbenchers, the member for 
Petrie amongst them—I acknowledge her 
promotion to the position of parliamentary 
secretary—to go back and tell residents, their 
management committees and all those con-
cerned that everything is okay. There is no 
mention in the Financial Review, no mention 
in the Australian, no mention in the SMH 
and no mention in the Age of the Treasurer’s 
backflip—he gets away with it. He is still the 
etiome of fiscal rectitude, but the back-
benchers, thanks to Minister Brough’s an-
nouncement, get to go back to their elector-
ates and give their constituents the good 
news. 

This is an exposure of the sleight of hand 
of this government. They get it wrong. They 
take 4½ years to get it right, but never would 
they admit that they got it wrong in the first 
place. So this is a bill that comes all too late. 
According to the EM, this measure will cost 
$63 million over the forward estimates and 
$47 million in the first year. This is money
that the government ought never have received. This is money that the government promised it would never receive—money the government said it would never take at the expense of the elderly and the most vulnerable in the Australian community.

While the opposition are supporting the bill with some enthusiasm, having taken up the fight over the course of the last few years, we still have concerns about it. Those concerns do not just have their origin in our own thinking; they have been brought to us by organisations who represent both the providers of aged care facilities and services and those who live within them. In particular, some of the advocates in the sector have expressed concern with respect to two elements of the bill. The first problem relates to the fact that the bill empowers the Minister for Ageing—and I am not sure that we have any more confidence in this one than we have had in the last few—to specify the level of care needed to qualify for GST-free supplies. There is some concern that the level of care could be specified as being so high that it would be too onerous for an operator to provide and in that case too expensive for the self-funded resident to pay, even with a GST-free concession. The sector would prefer that the bill specify that satisfying one of the criteria listed in the aged care minister’s determination of 2000 would be a sufficient condition for the GST-free treatment.

There is also some concern that the bill empowers the minister to specify the process on which the requisite level of care for GST-free services is based. This is expected to be through the Aged Care Assessment Team, or ACAT, which currently assesses residents’ eligibility for government funded places. This, of course, may delay the ACAT assessment process. Advocates in the sector suggest that this could be delegated to a doctor or registered nurse. The opposition is sympathetic to that proposition and would like to have further consultation with the government in this regard. I should say that the opposition is not going to hold up this bill in either this place or the Senate because, already 4½ years late, these measures are all-important to both residents and those who provide residents with the services they so need and require.

The bill contains provisions that clarify the GST status of certain supplies when made by a charitable institution or trustee of a charitable fund to a resident of a retirement village. The law specifies that accommodation related services and meals are GST-free supplies. Again, Labor have consulted with the industry and we will continue to pursue the issues the industry has raised as a means of making this bill even better, more appropriate and more accommodating of the needs not only of those people in particular who enjoy the services of these living arrangements but also of the many people in organisations who provide those services. In my own electorate the organisations that immediately come to mind are the Masonic and Catholic groups that provide so many great services and build and fund so many great facilities. Alroy House and Northern Coalfields Community Care Association provide a range of residential care facilities in my electorate, mainly in the Cessnock area. The Masonic organisation makes a great contribution in the Kurri Kurri area. Benhome, the benevolent institution in Maitland, does the same. We support this bill but, given the government’s appalling performance in respect of the GST and its impact on these services, I move:

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

‘whilst not declining to give the bill a second reading, the House condemns the Government for failing to correct the tax anomaly earlier, leading to significant stress and suffering on elderly Australians.’
This impact has been on many in retirement villages and—who knows?—they may have passed on by now. Many people have been living under stress and strain and have had much concern about the imposition of the GST. All of this was unnecessary.

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

Ms Livermore—I second the amendment.

Mr LAMING (Bowman) (10.56 p.m.)—I am delighted to speak in support of the Tax Laws Amendment (Retirement Villages) Bill 2004 tonight. It is an issue of great importance to the people of Bowman. It also progresses the fifth of the eight objectives listed in my first speech—that is, a simplified, clarified and more effective tax system. This bill makes minor amendments to the GST act. It removes uncertainty surrounding a possible Australian Taxation Office ruling and it confirms that the government’s policy around the goods and services tax has not changed as it pertains to retirement villages.

During the last federal election there were concerns in my electorate about the application of the tax office ruling. I would like to preface that by saying that, at that time, there was indecision about whether certain retirement villages would fall under that decision by the Australian Taxation Office. Certainly the serviced apartments to which this legislation pertains are designed for seniors with a level of frailty and disability or a medical condition that requires ongoing care. A serviced apartment is one that is designed to be occupied by aged residents and those requiring daily living activities assistance with nursing services. To create a picture, these are typically people in their 80s and where the facility has a communal area with furniture provided by the provider, a call button where they live, a basic bar fridge and a small kitchen for preparing breakfasts. It is also good that this amendment legislation will clarify the position of the charitable sector in providing these services and that they will also be GST exempt.

I note that the member for Hunter referred to the need to clarify tax law four years after it was implemented, but I am not sure that I am aware of a tax law that is not being continually finessed four, 14 or even 44 years after implementation. It is important that we have horizontal equity across the sector. That is being provided. It gives confidence to senior Australians. That determination hopefully will be applied consistently and fairly for both government-run hostels and also independent seniors so that, if they are living independently, they do not take advantage of the legislation by moving into these complexes.

It is also noted that, with this legislation, a responsible person will be located in the serviced apartment complex and be on call to render assistance with mobility, nursing and other medical assistance as required. The village or serviced apartment complex will have a communal dining facility and the operator will supply daily meals, but there is also some flexibility for those who do not eat daily. That makes perfect sense. This bill is important also for the construction industry, which over the last four years has not had certainty around input tax credits. This will apply to tax periods starting on or after 1 July 2000.

The amendments in the Tax Laws Amendment (Retirement Villages) Bill 2004 provide a clarification of the law as it pertains to this sector. It reaffirms the government’s commitment to the aged care industry. It demonstrates that the government is responsive to industry concerns. I commend this bill for the clarity it delivers to the aged care and retirement village sector.

Debate (on motion by Ms Gambaro) adjourned.
ADJOURNMENT

Ms GAMBARO (Petrie—Parliamentary Secretary to the Minister for Defence) (11.00 p.m.)—I move:

That the House do now adjourn.

Melbourne Wholesale Markets Relocation Scullin Electorate

Mr JENKINS (Scullin) (11.00 p.m.)—Presently the Bracks government is considering future locations for the redeveloped Melbourne wholesale markets to replace the markets now in Footscray Road. They have been there since 1969 on a 35-hectare site. Last month a site in the northern suburbs of Melbourne, in the electorate of Scullin, was identified. That site is in Cooper Street, Epping, and is one of the sites in contention. The Melbourne markets comprise the Wholesale Fruit and Vegetable Market, the National Flower Centre and the Nursery Market. There are something like 2,700 registered growers there, with 7,000 people who work at the markets. The site in Epping fronts Cooper Street and Edgars Road and is within a kilometre of the Craigieburn bypass, which will be the extension of the Hume Highway down to meet the Western Ring Road.

Mr McArthur interjecting—

Mr JENKINS—So the public infrastructure that is available in the northern suburbs of Melbourne—and I will have to say it very clearly for the member for Corangamite—is much superior to that available in the Werribee site. You see, Mr Speaker, this will be an issue, and I know that perhaps the people of Wannon might have some consideration about this. But, ideally, the northern suburbs site already caters for 75 per cent of the trucking movements that come into the market and, because of the way in which we have been able to plan the infrastructure in the northern suburbs, with the Western Ring Road giving access to the ports and to Melbourne Airport, it is an ideal site.

One of the considerations of course is whether there is a proper work force in the area, and I believe that the type of people who would be willing to work at the Melbourne markets are available in the northern suburbs. The training institutions—the two TAFE colleges, the universities—have always had an interest in things to do with horticultural production and the like. The way in which Melbourne’s north has emphasised the need for logistics and operational requirements to do with proper transport—the proper location of those types of things—also works in favour of the northern suburbs site.

Ideally, if we are looking at how we are going to develop our metropolitan cities in a sustainable way, we need to be looking at having these types of logistic centres on the urban fringe. As I said, that is the importance of the transport infrastructure that the Epping site already has. It does not have to be provided; it is already there. It already caters for many of the movements to do with the Melbourne markets, and it is an ideal site.

Mr McArthur interjecting—

Mr JENKINS—I call upon my colleagues in the north to make sure that we get behind this site. As is alluded to by the very rude interjections from the member for Corangamite, there is another site. That site is in Werribee, and it is to be the benchmark site. But I believe that, if we do the proper analysis that looks at all of the add-ons that can go with the Epping site, it will come out as the superior site.

I believe that all members in the northern suburbs should be looking favourably at this site. I therefore call upon the member for McEwen, especially as the Minister for Small Business and Tourism, to give her active consideration to the site and her support.
for the site, because many of the areas in her electorate of McEwen are within four to five kilometres of this site. It is therefore important to the local economy, and she should be supporting it, as should everybody else.

In conclusion, can I thank all those who were involved in the election campaign in Scullin, especially those members and volunteers who were involved. I want to highlight a member who volunteered his time, from putting up garden signs to doing enveloping and the like—that is, Ern Gallie, who has been a longstanding member of the Labor Party. I would also like to take this opportunity towards the end of the year to thank my electorate office staff for keeping me on the straight and narrow and properly directed: Sam Alessi, who was also the campaign manager; Sandra Murphy; Lori Faraone; Berna Doksatli; and Jason Murray, who replaced Berna while she was overseas. I want to thank Ellen Smiddy, who for the last year has been in transition to retirement. She was still with us on a part-time and casual basis. She is a typical Labor stalwart, who lives by the needs and the goal of social justice. I hope that Ellen and her husband Brian enjoy their retirement. She has been a great strength for me and a great strength for the community. I think we often overlook placing on record our thanks for the people who make sure that we are able to do our job in this place to the benefit of those people whom we represent within the community.

Fairfax Electorate: Daniel Morcombe

Mr Somlyay (Fairfax) (11.05 p.m.)—It is with great sadness that I rise in this House tonight in this adjournment debate. There would be very few people in Queensland and possibly throughout Australia who have not heard the name of Daniel Morcombe. Daniel is that good-looking young boy on a Crime Stoppers poster with dark hair and blue eyes, wearing a bright red T-shirt, who disappeared—most certainly abducted—whilst waiting for a bus. Daniel’s parents, Bruce and Denise Morcombe, live in my electorate at Palmwoods, one hour’s drive north of Brisbane. Palmwoods is a long-established, quiet, rural township, 15 minutes away from the active, busy coast.

It is one year ago on Sunday, 7 December that 13-year-old Daniel Morcombe disappeared on his way to have a haircut and do some Christmas shopping at the Sunshine Plaza in Maroochydore. He had walked from his home in Palmwoods with the intention of catching a bus on the Nambour Connection Road near the Kiel Mountain overpass. Due to a breakdown, the bus was not on time, and when the next bus arrived Daniel had disappeared and has not been seen or heard of since that Sunday. But someone out there must know what happened to him. In fact, intensive police inquiries revealed one or two men being in the vicinity of Daniel on that fateful day, as well as the sighting of a white courier-style van and an older blue sedan. However, neither of these vehicles has been found despite vigorous searches.

I have met Daniel’s parents, Bruce and Denise Morcombe. I was with Bruce Morcombe last Friday, and I wonder how they have managed to remain sane. As well as an older brother, Dean, Daniel has a twin brother, Bradley, and their 15th birthday will be on 19 December 2004. Bradley had his birthday last year without Daniel so this will be the second birthday without his twin brother. How hard is that? To lose a member of your family is one thing, but not to know what has happened to them and where they are is just terrible. Bruce and Denise Morcombe have refused to let their son’s case disappear under the carpet. The community has also stood steadfastly behind them. In the first five months after Daniel’s disappearance, the Morecombes raised over $100,000 to fund an advertising campaign. They later
sold their investment property in Buderim to continue the fight to find out what happened to Daniel and to make sure the public is constantly reminded of his disappearance.

A special Daniel fund was started by selling thousands of red ribbons in recognition of the red T-shirt Daniel was wearing on the day he disappeared. One request was for residents to put a red ribbon around their postboxes outside their houses to remind people of Daniel’s disappearance. When I am driving around my electorate, I see those red ribbons everywhere. There are posters of Daniel everywhere, not just in Queensland but Australia wide. I have one in my electorate office foyer and I see them in supermarkets, shopping centres, malls, schools—all designed to help people remember or jog a memory. I participated in a golf day to raise funds for Daniel. Banners, bumper stickers and flyers are constantly being handed out to the public to keep the memory of Daniel alive. Advertisements appear on television with Bruce and Denise Morcombe pleading for information as to Daniel’s whereabouts.

The Daniel Morcombe story was televised on Australian Story with the ABC showing how officers investigating the case had been affected and how determined they were to solve it. Titled ‘Into thin air’ the program revealed the huge police and community operation involved in the case. Queensland police even appointed a special police media liaison officer, Senior Sergeant Julie Elliott, to assist the family with the huge media attention resulting from the case. Following the airing of ‘Into thin air’ a two-hour forum was set up to encourage further public participation in the case. The Morcombe family was a major feature in the Australian Women’s Weekly and still the crime has not been solved. The Queensland government has offered a record $250,000 for information as to Daniel’s whereabouts. Tomorrow is a very significant day for the Morcombe family. They have invited the community to attend a memorial service for Daniel at his former school, Siena Catholic College, as part of a healing process for themselves and those who have supported them over the past year. (Time expired)

**Scouts Australia**

Mr QUICK (Franklin) (11.10 p.m.)—Tonight, as we near the end of yet another year and start a new parliamentary term, I want to place on the public record my admiration for the many leaders involved in the scouting movement throughout Australia. Many in this place have contact with the excellent work being achieved through the scout groups in their electorates to challenge the young men and women to reach their potential yet have a fun time with their peers. I have had the privilege of attending two general assemblies of the World Scout Parliamentary Union, the first in Warsaw in 2000 and the second in 2003 in Cairo. In Cairo, parliamentarians from 44 countries discussed a wide range of issues relating to youth policies and how best we as legislators could influence legislation within our own parliaments. We also heard of examples of a superb cross-cultural and interreligious dialogue between scouts from countries in the Middle East, Africa and Europe.

Why am I raising this tonight at this late hour, well after 11 p.m.? First of all, to try and raise awareness within this place of the amazing capabilities that reside within Scouts Australia to solve so many of the problems facing the youth of Australia and frustrating so many parents throughout Australia. Much has been said of the parlous physical state of so many of our young people. Obesity in our teenagers is endemic. Most schools lack a full-time physical education teacher and physical activities in schools have declined dramatically over the past 10 years. A fast food mentality along with a
sedentary computer dictated lifestyle has seen so many of our young people degenerate into overweight and relatively inactive citizens.

Schools with their ever increasing curriculum demands cannot hope to address this pressing health issue on their own. Today in the Tasmanian newspaper the Mercury the Chief Commissioner of Scouts Australia in Tasmania, Lyn Harvey, wrote an excellent article on the challenges facing the scouting movement not only in Tasmania but throughout Australia. She highlighted the amazing potential for change that Scouts Australia can provide not only for our youth but for their parents as well. She challenged all of us to seek out one of the obvious solutions to one of the most pressing problems facing our society today. Lyn Harvey wrote:

The scout movement in Australia currently caters to less than 2 per cent of the six to 26-year-old populations, so we have room for many more. We offer fun, excitement, adventure and travel, while delivering an education second to none in the life skills needed to survive in today’s world.

We are TAFE accredited, offering a Diploma in Leadership starting at age 14. We have other organisations queuing up to take advantage of our facilities at three well-equipped campsites across Tasmania.

So why parents do you keep bemoaning the loss of physical education in schools?

Give the kids a break! Introduce them to scouting at an early age, then come along bursting with pride when, at the age of 17 they receive the Queen’s Scout Award and at 26, the coveted B-P Award. All achieved while having the time of their young lives and making lifelong friendships with people from all backgrounds, colours and creeds.

Our leaders can also qualify for the Diploma in Leadership that has led to some of them being awarded pay rises.

Many of these achieved the diploma level without even realising they were doing it. They were having so much fun, it didn’t seem like work. It is so rewarding in so many ways you wouldn’t believe it!

Come and try it, get a life. Get your kids and yourselves involved in your local scout group and start to live outside of work and school.

Regional Partnerships Program

Mr TUCKEY (O’Connor) (11.14 p.m.)—I rise this evening as the author of the Regional Partnerships program to urge this House, before it goes further with political criticisms targeted to a single grant, to look very closely at this program and the great benefits it is bringing to regional Australia. Today the members for Gorton and Scullin took up their grievance time to make criticisms of this program on the grounds that it did not fit into their own electorates, which are metropolitan with a high population density and generally very substantial revenues to local government, for instance. They are electorates that have not been identified under this program. Nevertheless, when one looks at many other components of federal expenditure, there are very significant amounts of money directed to their constituents.

There are some very interesting aspects of this program. In its forward estimates, the government has identified $408.5 million for the years 2003-04 through to 2007-08. In fact, since Regional Partnerships commenced in July 2003, 451 projects have been approved with a total value of $102 million. Every dollar of Regional Partnerships money that has been provided so far has been matched on average by $3 of other people’s money. That $102 million suddenly becomes close to $0.5 billion of investment. The suggestion that it has been targeted to marginal electorates is far from the truth. Most of the top 10 electorates that have received substantial funds are not marginal—and my own electorate is included.
When one looks at the list of a significant number of those particular grants, one finds that one of the smallest towns in my electorate, Ravensthorpe—always a very marginal crop-producing area—has got nearly $4 million. Why? Because BHP Billiton is going to construct a $1 billion-plus nickel mine and refinery there. All of a sudden this tiny community has been stuck with trying to come up with local government infrastructure to meet the massive population demand and—as I am sure the members opposite would be pleased to know—cater for an on-site work force, not a fly in, fly out work force which they have found so hard to organise through their union colleagues. All of a sudden our government has, through Regional Partnerships, come in with a very substantial grant.

I also want to call attention to a very recent grant to a firm called AQ2. By the way, Regional Partnerships is a community and a business assistance program. It is interesting to note that, in business, as a comparison to city electorates, no bank will lend you the same sort of money in a rural and regional area that you could raise for the same business in a city. In fact, it is notable that, to date, the recommended grants for business projects have been of the order of about 20 per cent of the total cost. That is in line with the money that you cannot get from the bank. At AQ2 local investors have got close to $1 million worth of their own money invested to produce the first-ever pump in the world that can safely provide chlorine into small community drinking water. With the additional $200,000 that Regional Partnerships is providing, they will be able to buy the sort of lathes and things never heard of in the town of Katanning and they are creating a high-tech business and a good opportunity. I often say that, if you can keep the businesses in small towns going, you will always find money to paint the scout hall.

This is an excellent program. It is targeted to small communities as they are known, and I plead with this parliament, in any form of politics they play, to please not knock this program. One of the problems for the Labor Party is that they do not ask in their eligible areas. They are so busy knocking coalition programs that they do not go out and tell their community, as the member for Kalgoorlie and I do. (Time expired)

Federal Election

Mr SAWFORD (Port Adelaide) (11.19 p.m.)—The two elections in 2004 in Australia and in the United States proved to be fascinating exercises. There were two predictable results. Despite all the commentary to the contrary that they would be line-ball elections, it was never meant or going to be. In the prevailing economic conditions, there was no way Labor or the Democrats could win.

It was fascinating to watch both academic and political commentary in both countries. Most was and proved to be totally inaccurate and inane. Political commentary in Australia and in the United States has deteriorated, yet again, into a weak, pale laxative of largely synthesised nonsense. Too many political academics, journalists and even politicians appear to act out of a fear that seems shaken by a recognition that they may have wasted their careers by not engaging and observing the lives of people around them. More importantly, they seem to become wholly and totally intimidated at the prospect of a cultural and communications revolution commencing and leaving them behind as irrelevant.

Since the end of WWII, there have only been five changes of government in this country. 1949 was largely reported as the election won on the nationalisation of the banks and petrol pricing. Nonsense! It was won because the economy was out of con-
control. Inflation, interest rates and unemployment were rising. 1972 was reported as the ‘It’s time’ election and a strategic masterpiece of campaigning. Nonsense! The result was an underachievement. The economy was out of control with rising interest rates, inflation and unemployment. 1975 was reported as the Whitlam dismissal election. Nonsense! The economy was out of control with rising inflation, interest rates and unemployment. 1975 was reported as the Hawke rising star ascendancy. Nonsense! The economy was out of control with rising inflation, interest rates and unemployment. 1996 was reported as the downfall of Keating. Nonsense! The economy was out of control with rising inflation, interest rates and unemployment.

If you compare what has happened in 2004 with what happened in 2001, you will see that there were small decreases in inflation, interest rates and unemployment. The incumbents here and in the United States won with an increased majority, and it was always meant to be. In 1936, the Democratic Party Speaker in the United States Senate said, after Franklin D. Roosevelt’s win:

When you get too big a majority, you’re immediately in trouble.

From 1975 onwards, Malcolm Fraser had effective control of the Senate. He blew it. From 1 July next year the coalition will have effective control of the Senate and they will have an opportunity to blow it as well. They can control the economy or they can do what they are doing now: give away money to undeserving groups and not use the revenue to build the nation and our competitiveness. The PM has a track record of blowing the economy. He was Treasurer to Malcolm Fraser.

There is another real danger too. Republican or coalition restraint is probably going to be very difficult to control in the next three years. There is the possibility also of a Labor split, or a Democratic Party split in the United States, over defining the causes of the 2004 election loss. It will be a bit of a wasted exercise, really. If discipline and loyalty are not given to the Labor and Democratic leadership and we and they become a rabble in opposition, restraining the coalition and the Republicans will prove to be impossible. Even before the dust has settled on the election result, evidence of a possible lack of restraint has emerged on both sides of this House. Minister Abbott and his sycophants could not help but raise the divisive issue of abortion, and Minister Minchin raised the divisive issue of voluntary voting. I suppose that, to the Prime Minister’s credit, he squashed those two. But there will be more coming up and maybe some of those members on the opposite side of the House tonight will be the silly people raising some of those issues.

Will the Prime Minister—or, more importantly, his replacement during this term—maintain that stance? Mr Speaker, your guess is as good as mine, but I remind everybody in this House of US Senate Speaker Sam Rayburn’s words in 1936:

When you get too big a majority, you’re immediately in trouble.

What about our side? We have our culprits too, as has been evident in recent weeks and over the weekend. Some people never learn. Some people are just plain destructive and some people have no corporate memory. Wisdom and enlightenment occur only when you can reduce your ego, your ambition and your need for fame and publicity. They never come the other way around. (Time expired).

Driver Education

Mrs GASH (Gilmore) (11.25 p.m.)—Today the House debated a motion to introduce compulsory driver training for young drivers. Unfortunately, I did not get the chance to speak to the motion, but I am anx-
ious to have my views heard nevertheless. We all have a duty of care to our fellow road users to ensure that the lives of others are not jeopardised through our negligent or reckless behaviour. As adults, we have a further duty to teach our children to accept this obligation. For far too long we have virtually stood and watched as the youth of our society sacrifices itself on our roads in needless carnage. In 2003, the people most commonly killed on the roads were young people, particularly males. In fact, road crashes are the biggest killer of people aged between 18 and 25 years. That seems to be a period of life when young people believe in their own immortality. They are more prone to taking risks and to diminishing the level of danger they face. According to Youthsafe, young drivers have less developed driving skills than more experienced drivers and crash risk is higher amongst young drivers in rural areas.

On the Today show just recently, Allan Moffat, a very experienced racing driver, repeated the fact that children should be taught, well before they get behind a wheel, of the dangers they will face on the roads when they get their licence. Some schools have incorporated a driver safety awareness program into their curriculum, but it needs to be formalised and standardised across Australia to have any real effect. I commend their efforts and foresight and encourage other schools to follow their example.

What I want to do is zero in on the need to better train young drivers, and in that regard I have a strong ally. David McKay is a resident of Exeter in the Southern Highlands region of my electorate of Gilmore. He has been a vigorous proponent of the need to train young drivers in skills that they need to survive the gauntlet of road travel in Australia. David has become aware of this government’s initiative for a compulsory national program of driver education and has enthusiastically thrown his weight behind the concept. In fact, he has been trying to get someone to listen to him for years to get this project into schools—primary schools, that is. He has an extensive and comprehensive background in motor sports in Australia. He started in motor racing in Bathurst in 1950 and drove in the early Redex trials. In 1959 he founded Australia’s first professional motor racing team, Scuderia Veloce. He ran a company of 150 employees until he moved to Europe in 1985, where he attended some 40 Formula One races. Writing from Geneva in 1988 to the then Premier of New South Wales, Nick Greiner, Mr McKay said:

I had put forward my theory that our road toll could only be dramatically reduced by (a) state wide network of superhighways thus separating the traffic and/or (b) better driving standards. The first was out of reach but the second has never been seriously attempted.

He went on in that letter to write about a driver training school in Austria, just south of where he was living at the time. He said:

This proved an eye opener even to one who has seen attempts at such schools around the world. It has only been going a little over 12 months and already there are requests to duplicate the school in countries as diverse as Israel and Venezuela. Even the ‘know it all’ Swiss, who boast an enviable first five months of 1988 toll of 14 dead against 18 for the same period last year and have a large driving school, have gone to this Austrian school to learn how to do it better.

He then went on to describe the logistics of the site and the fact that it became self-financing. The site even had a kindergarten driving track.

A compulsory national program of driver education is not a new concept but it is an urgent one. This initiative cannot be done by the government alone but needs a holistic approach involving the community, industry, schools and parents—and that means an investment of time and money. I add my con-
gratulations on the announcement made by this government last year to make such a program compulsory for new provisional drivers. The New South Wales government, through its inactivity, seems reluctant to take decisive action, even failing to match the federal government’s Black Spots Roads Program grant of $20 million to my electorate for the Princes Highway. That funding will make a real impact on addressing some of our notorious accident history, yet the state government has said no. Even now the state government is effectively only prepared to spend less than $6 million a year on the Princes Highway from Kiama to the Victorian border. How can anyone believe that the state government is serious in addressing this issue?

I support the concept of driver education because it calls on state governments to take responsibility rather than just talk about it. I am not in favour of a curfew, because it penalises too many responsible young drivers who have job obligations. In country areas such as Gilmore, where the state roads leave a lot to be desired and trains rarely, if ever, run on time these measures are draconian and short-sighted. I can only reiterate the importance of teaching driver ethics to school-age children long before they get behind a steering wheel. I would also like to congratulate those involved in the Ulladulla Driver Education program which is run by the Milton-Ulladulla Rotary Club. There stands the framework upon which we can build an initiative that will make an impact on reining back the sad incidence of road trauma we have been experiencing. (Time expired)

Question agreed to.

House adjourned at 11.30 p.m.