INTERNET
The Votes and Proceedings for the House of Representatives are available at

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at

For searching purposes use
http://parlinfoweb.aph.gov.au

SITTING DAYS—2005

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>8, 9, 10, 14, 15, 16, 17</td>
</tr>
<tr>
<td>March</td>
<td>7, 8, 9, 10, 14, 15, 16, 17</td>
</tr>
<tr>
<td>May</td>
<td>10, 11, 12, 23, 24, 25, 26, 30, 31</td>
</tr>
<tr>
<td>June</td>
<td>1, 2, 14, 15, 16, 20, 21, 22, 23</td>
</tr>
<tr>
<td>August</td>
<td>9, 10, 11, 15, 16, 17, 18</td>
</tr>
<tr>
<td>September</td>
<td>5, 6, 7, 8, 12, 13, 14, 15</td>
</tr>
<tr>
<td>October</td>
<td>4, 5, 6, 10, 11, 12, 13, 14, 15</td>
</tr>
<tr>
<td>November</td>
<td>1, 2, 3, 28, 29, 30</td>
</tr>
<tr>
<td>December</td>
<td>1, 5, 6, 7, 8</td>
</tr>
</tbody>
</table>

RADIO BROADCASTS
Broadcasts of proceedings of the Parliament can be heard on the following Parliamentary and News Network radio stations, in the areas identified.

- **CANBERRA**: 1440 AM
- **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—SECOND PERIOD

Governor-General
His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Com-
mander 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 Robert Charles
Baldwin, the Hon. Bronwyn Kathleen Bishop, Mr Michael John Hatton, Mr Peter John Lindsay,
Mr Robert Francis McMullan, Mr Harry Vernon Quick, the Hon. Bruce Craig Scott, the
Hon. Alexander Michael Somilyay, 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—The Hon. Kim Christian Beazley 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

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, Hon. Anthony</td>
<td>Warringah, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Dick Godfrey Henry</td>
<td>Lyons, Tas</td>
<td>ALP</td>
</tr>
<tr>
<td>Albanese, Anthony</td>
<td>Grayndler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Norman</td>
<td>Gwydir, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Anderson, Hon. John</td>
<td>Calare, NSW</td>
<td>Ind</td>
</tr>
<tr>
<td>Duncan</td>
<td>Menzies, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, Hon. Kevin</td>
<td>McEwen, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>James</td>
<td>Cook, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Baker, Mark Horden</td>
<td>Braddon, Tas</td>
<td>LP</td>
</tr>
<tr>
<td>Baldwin, Robert</td>
<td>Paterson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Charles</td>
<td>Deakin, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Andren, Peter James</td>
<td>Macquarie, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bartlett, Kerry</td>
<td>Brand, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Joseph</td>
<td>Brisbane, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Billson, Hon. Bruce</td>
<td>Dunkley, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Frederick</td>
<td>Cunningham, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Bird, Sharon</td>
<td>Mackellar, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bishop, Hon. Bronwyn</td>
<td>Curtin, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Kathleen</td>
<td>Prospect, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Bowen, Christopher</td>
<td>McMillan, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Eyles</td>
<td>Longman, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Broadbent, Russell</td>
<td>Chisholm, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Joseph</td>
<td>Watson, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Byrne, Anthony Michael</td>
<td>Holt, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Cadman, Hon. Alan</td>
<td>Mitchell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Glyndwr</td>
<td>Page, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Caasley, Hon. Ian</td>
<td>Moncrieff, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Raymond</td>
<td>Parkes, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Ciobo, Steven Michele</td>
<td>Isaacs, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Corcoran, Ann Kathleen</td>
<td>Higgins, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Costello, Hon. Peter</td>
<td>Hotham, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Howard</td>
<td>Melbourne Ports, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Downer, Hon. Alexander</td>
<td>Mayo, SA</td>
<td>LP</td>
</tr>
<tr>
<td>John Gosse</td>
<td>Makin, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Draper, Patricia</td>
<td>Dickson, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Dutton, Hon. Peter</td>
<td>Cowan, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Craig</td>
<td>Richmond, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Edwards, Hon. Graham</td>
<td>Canberra, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>John</td>
<td>Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Elliot, Maria Justine</td>
<td>Forde, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Ellis, Annette Louise</td>
<td>Rankin, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Ellis, Katherine Margaret</td>
<td>Leichhardt, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Margaret</td>
<td>Macarthur, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Elson, Kay Selma</td>
<td>Wakefield, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Emerson, Craig Anthony</td>
<td>Reid, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Entsch, Hon. Warren</td>
<td>Batman, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>George</td>
<td>Bass, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Ferguson, Laurence</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Donald Thomas</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Martin John</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>AM</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Michael</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Durrell</td>
<td></td>
<td>ALP</td>
</tr>
</tbody>
</table>
## Members of the House of Representatives

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitzgibbon, Joel Andrew</td>
<td>Hunter, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Forrest, John Alexander</td>
<td>Mallee, VIC</td>
<td>Nats</td>
</tr>
<tr>
<td>Gambaro, Hon. Teresa</td>
<td>Petrie, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Garrett, Peter Robert, AM</td>
<td>Kingsford Smith, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Gash, Joanna</td>
<td>Gilmore, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Georganas, Steven</td>
<td>Hindmarsh, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>George, Jennie</td>
<td>Throsby, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Georgiou, Petro</td>
<td>Kooyong, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Gibbons, Stephen William</td>
<td>Bendigo, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Gillard, Julia Eileen</td>
<td>Lalor, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Grierson, Sharon Joy</td>
<td>Newcastle, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Griffin, Alan Peter</td>
<td>Bruce, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Haase, Barry Wayne</td>
<td>Kalgoorlie, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Hall, Jill Griffiths</td>
<td>Shortland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hardgrave, Hon. Gary Douglas</td>
<td>Moreton, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Hartsuyker, Luke</td>
<td>Cowper, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Hatton, Michael John</td>
<td>Blaxland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hawker, David Peter Maxwell</td>
<td>Wannon, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Henry, Stuart</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Hoare, Kelly Joy</td>
<td>Charlton, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hockey, Hon. Joseph Benedict</td>
<td>North Sydney, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Howard, Hon. John Winston</td>
<td>Bennelong, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hull, Kay Elizabeth</td>
<td>Riverina, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Hunt, Hon. Gregory Andrew</td>
<td>Flinders, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Irwin, Julia Claire</td>
<td>Fowler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Jenkins, Harry Alfred</td>
<td>Scullin, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Jensen, Dennis Geoffrey</td>
<td>Tangney, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Johnson, Michael Andrew</td>
<td>Ryan, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Jull, Hon. David Francis</td>
<td>Fadden, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Katter, Hon. Robert Carl</td>
<td>Kennedy, Qld</td>
<td>Ind</td>
</tr>
<tr>
<td>Keenan, Michael Fayat</td>
<td>Stirling, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Kelly, Hon. De-Anne Margaret</td>
<td>Dawson, Qld</td>
<td>Nats</td>
</tr>
<tr>
<td>Kelly, Hon. Jacqueline Marie</td>
<td>Lindsay, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Kerr, Hon. Duncan James Colquhoun, SC</td>
<td>Denison, Tas</td>
<td>ALP</td>
</tr>
<tr>
<td>King, Catherine Fiona</td>
<td>Ballarat, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Laming, Andrew Charles</td>
<td>Bowman, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Lawrence, Hon. Carmen Mary</td>
<td>Fremantle, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Ley, Hon. Sussan Penelope</td>
<td>Farrer, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Lindsay, Peter John</td>
<td>Herbert, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Livermore, Kirsten Fiona</td>
<td>Capricornia, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Lloyd, Hon. James Eric</td>
<td>Robertson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Macfarlane, Hon. Ian Elgin</td>
<td>Groom, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Macklin, Jennifer Louise</td>
<td>Jagajuga, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Markus, Louise Elizabeth</td>
<td>Greenway, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>May, Margaret Ann</td>
<td>McPherson, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>McArthur, Fergus Stewart</td>
<td>Corangamite, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>McClelland, Robert Bruce</td>
<td>Barton, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>McGauran, Hon. Peter John</td>
<td>Gippsland, Vic</td>
<td>Nats</td>
</tr>
<tr>
<td>Member</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------</td>
<td>-------</td>
</tr>
<tr>
<td>McMullan, Robert Francis</td>
<td>Fraser, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Melham, Daryl</td>
<td>Banks, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Moylan, Hon. Judith Eleanor</td>
<td>Pearce, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Murphy, John Paul</td>
<td>Lowe, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Nairn, Hon. Gary Roy</td>
<td>Eden-Monaro, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Nelson, Hon. Brendan John</td>
<td>Bradfield, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Neville, Paul Christopher</td>
<td>Hinkler, Qld</td>
<td>Nats</td>
</tr>
<tr>
<td>O’Connor, Brendan Patrick John</td>
<td>Gorton, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>O’Connor, Gavan Michael</td>
<td>Corio, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Owens, Julie Ann</td>
<td>Parramatta, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Panopoulos, Sophie</td>
<td>Indi, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Pearce, Hon. Christopher John</td>
<td>Aston, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Pilbersk, Tanya Joan</td>
<td>Sydney, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Price, Hon. Leo Roger Spurway</td>
<td>Chifley, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Prosser, Hon. Geoffrey Daniel</td>
<td>Forrest, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Pyne, Hon. Christopher Maurice</td>
<td>Sturt, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Quick, Harry Vernon</td>
<td>Franklin, Tas</td>
<td>ALP</td>
</tr>
<tr>
<td>Randall, Don James</td>
<td>Canning, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Richardson, Kym</td>
<td>Kingston, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Ripoll, Bernard Fernando</td>
<td>Oxley, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Robb, Andrew John</td>
<td>Goldstein, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Roxon, Nicola Louise</td>
<td>Gellibrand, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Rudd, Kevin Michael</td>
<td>Griffith, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Ruddock, Hon. Philip Maxwell</td>
<td>Berowra, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Sawford, Rodney Weston</td>
<td>Port Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Schultz, Albert John</td>
<td>Hume, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Scott, Hon. Bruce Craig</td>
<td>Maranong, Qld</td>
<td>Nats</td>
</tr>
<tr>
<td>Secker, Patrick Damien</td>
<td>Barker, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Sercombe, Robert Charles Grant</td>
<td>Maribyrnong, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Slipper, Hon. Peter Neil</td>
<td>Fisher, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Smith, Anthony David Hawthorn</td>
<td>Casey, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Smith, Stephen Francis</td>
<td>Perth, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Snowdon, Hon. Warren Edward</td>
<td>Lingiari, NT</td>
<td>ALP</td>
</tr>
<tr>
<td>Somlyay, Hon. Alexander Michael</td>
<td>Fairfax, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Southcott, Andrew John</td>
<td>Boothby, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Stone, Hon. Sharman Nancy</td>
<td>Murray, Vic</td>
<td>LP</td>
</tr>
<tr>
<td>Swan, Wayne Maxwell</td>
<td>Lilley, Qld</td>
<td>ALP</td>
</tr>
<tr>
<td>Tanner, Lindsay James</td>
<td>Melbourne, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Thompson, Cameron Paul</td>
<td>Blair, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Thomson, Kelvin John</td>
<td>Wills, Vic</td>
<td>ALP</td>
</tr>
<tr>
<td>Ticehurst, Kenneth Vincent</td>
<td>Dobell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Tollner, David William</td>
<td>Solomon, NT</td>
<td>CLP</td>
</tr>
<tr>
<td>Truss, Hon. Warren Errol</td>
<td>Wide Bay, Qld</td>
<td>Nats</td>
</tr>
<tr>
<td>Tuckey, Hon. Charles Wilson</td>
<td>O'Connor, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Turnbull, Malcolm Bligh</td>
<td>Wentworth, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Vaile, Hon. Mark Anthony James</td>
<td>Lyne, NSW</td>
<td>Nats</td>
</tr>
<tr>
<td>Vale, Hon. Danna Sue</td>
<td>Hughes, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Vamvakinou, Maria</td>
<td>Calwell, Vic</td>
<td>ALP</td>
</tr>
</tbody>
</table>
Members of the House of Representatives

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vasta, Ross Xavier</td>
<td>Bonner, Qld</td>
<td>LP</td>
</tr>
<tr>
<td>Wakelin, Barry Hugh</td>
<td>Grey, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilkie, Kimberley William</td>
<td>Swan, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
</tr>
<tr>
<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
<td>LP</td>
</tr>
</tbody>
</table>

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

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

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

The Hon. John Winston Howard MP
The Hon. John Duncan Anderson MP
The Hon. Peter Howard Costello MP
The Hon. Mark Anthony James Vaile MP
Senator the Hon. Robert Murray Hill
The Hon. Alexander John Gosse Downer MP
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
Senator the Hon. Nicholas Hugh Minchin
The Hon. Warren Errol Truss MP
Senator the Hon. Amanda Eloise Vanstone
The Hon. Dr Brendan John Nelson MP
Senator the Hon. Kay Christine Lesley Patterson
The Hon. Ian Elgin Macfarlane MP
The Hon. Kevin James Andrews MP
Senator the Hon. Helen Lloyd Coonan
Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)
### Howard Ministry—continued

<table>
<thead>
<tr>
<th>Position</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister for Justice and Customs and Manager of Government Business in the Senate</td>
<td>Senator the Hon. Christopher Martin Ellison</td>
</tr>
<tr>
<td>Minister for Fisheries, Forestry and Conservation</td>
<td>Senator the Hon. Ian Douglas Macdonald</td>
</tr>
<tr>
<td>Minister for the Arts and Sport</td>
<td>Senator the Hon. Charles Roderick Kemp</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
</tr>
<tr>
<td>Minister for Citizenship and Multicultural Affairs and Deputy Leader of the House</td>
<td>The Hon. Peter John McGauran MP</td>
</tr>
<tr>
<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Malcolm Thomas Brough MP</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Minister for Vocational and Technical Education and Minister Assisting the Prime Minister</td>
<td>The Hon. Gary Douglas Hardgrave MP</td>
</tr>
<tr>
<td>Minister for Ageing</td>
<td>The Hon. Julie Isabel Bishop MP</td>
</tr>
<tr>
<td>Minister for Small Business and Tourism</td>
<td>The Hon. Frances Esther Bailey MP</td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. James Eric Lloyd MP</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence</td>
<td>The Hon. De-Anne Margaret Kelly MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
<td>The Hon. Peter Craig Dutton MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Industry, Tourism and Resources</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
<td>The Hon. Warren George Entsch MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Christopher Maurice Pyne MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence (Foreign Affairs and Trade)</td>
<td>The Hon. Teresa Gambaro MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Bruce Fredrick Billson MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Gary Roy Nairn MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Transport and Regional Services</td>
<td>The Hon. Christopher John Pearce MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for the Environment and Heritage</td>
<td>The Hon. John Kenneth Cobb MP</td>
</tr>
<tr>
<td>Parliamentary Secretary (Children and Youth Affairs)</td>
<td>The Hon. Gregory Andrew Hunt MP</td>
</tr>
<tr>
<td>Parliamentary Secretary (Children and Youth Affairs)</td>
<td>The Hon. Sussan Penelope Ley MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
</tr>
</tbody>
</table>

vii
SHADOW MINISTRY

Leader of the Opposition
The Hon. Kim Christian Beazley MP

Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research
Jennifer Louise Macklin MP

Leader of the Opposition in the Senate and Shadow Minister for Social Security
Senator Christopher Vaughan Evans

Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology
Senator Stephen Michael Conroy

Shadow Minister for Health and Manager of Opposition Business in the House
Julia Eileen Gillard MP

Shadow Treasurer
Wayne Maxwell Swan MP

Shadow Minister for Industry, Infrastructure and Industrial Relations
Stephen Francis Smith MP

Shadow Minister for Foreign Affairs and International Security
Kevin Michael Rudd MP

Shadow Minister for Defence and Homeland Security
Robert Bruce McClelland MP

Shadow Minister for Trade
The Hon. Simon Findlay Crean MP

Shadow Minister for Primary Industries, Resources and Tourism
Martin John Ferguson MP

Shadow Minister for Environment and Heritage and Deputy Manager of Opposition Business in the House
Anthony Norman Albanese MP

Shadow Minister for Public Administration and Open Government, Shadow Minister for Indigenous Affairs and Reconciliation and Shadow Minister for the Arts
Senator Kim John Carr

Shadow Minister for Regional Development and Roads and Shadow Minister for Housing and Urban Development
Kelvin John Thomson MP

Shadow Minister for Finance and Superannuation
Senator the Hon. Nicholas John Sherry

Shadow Minister for Work, Family and Community, Shadow Minister for Youth and Early Childhood Education and Shadow Minister Assisting the Leader on the Status of Women
Tanya Joan Plibersek MP

Shadow Minister for Employment and Workplace Participation and Shadow Minister for Corporate Governance and Responsibility
Senator Penelope Ying Yen Wong

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

ix
CONTENTS

THURSDAY, 10 FEBRUARY

CHAMBER

Tax Laws Amendment (2005 Measures No. 1) Bill 2005—
  First Reading ................................................................. 1
  Second Reading ............................................................ 1
Aged Care Amendment (Transition Care and Assets Testing) Bill 2005—
  First Reading ................................................................. 2
  Second Reading ............................................................ 2
Defence Amendment Bill 2005—
  First Reading ................................................................. 4
  Second Reading ............................................................ 4
Telecommunications (Consumer Protection and Service Standards) Amendment
  (National Relay Service) Bill 2005—
    First Reading ............................................................. 6
    Second Reading .......................................................... 6
Australian Institute of Marine Science Amendment Bill 2005—
  First Reading ................................................................. 6
  Second Reading ............................................................ 6
Appropriation Bill (No. 3) 2004-2005—
  First Reading ................................................................. 8
  Second Reading ............................................................ 8
Minister For Local Government, Territories And Roads—
  Motion ............................................................................. 10
Appropriation Bill (No. 4) 2004-2005—
  First Reading ................................................................. 13
  Second Reading ............................................................ 13
Appropriation (Parliamentary Departments) Bill (No. 2) 2004-2005—
  First Reading ................................................................. 14
  Second Reading ............................................................ 14
Australian Communications and Media Authority Bill 2004 ........................................ 14
  Australian Communications and Media Authority (Consequential and Transitional
  Provisions) Bill 2004 ....................................................... 14
  Telecommunications (Carrier Licence Charges) Amendment Bill 2004 ......................... 14
  Telecommunications (Numbering Charges) Amendment Bill 2004 ................................. 14
  Television Licence Fees Amendment Bill 2004 ................................................................. 15
  Datacasting Charge (Imposition) Amendment Bill 2004 ................................................... 15
  Radiocommunications (Receiver Licence Tax) Amendment Bill 2004 ............................. 15
  Radiocommunications (Spectrum Licence Tax) Amendment Bill 2004 ......................... 15
  Radiocommunications (Transmitter Licence Tax) Amendment Bill 2004 ......................... 15
  Radio Licence Fees Amendment Bill 2004 ................................................................. 15
    Second Reading ............................................................. 15
    Third Reading .................................................................. 21
  Australian Communications and Media Authority (Consequential and Transitional
  Provisions) Bill 2004 ....................................................... 21
    Second Reading ............................................................. 21
    Third Reading .................................................................. 21
  Telecommunications (Carrier Licence Charges) Amendment Bill 2004 ......................... 21
    Second Reading ............................................................. 21
    Third Reading .................................................................. 21
CONTENTS—continued

Telecommunications (Numbering Charges) Amendment Bill 2004—  
Second Reading................................................................................................................. 21  
Third Reading...................................................................................................................... 21  
Television Licence Fees Amendment Bill 2004—  
Second Reading................................................................................................................. 21  
Third Reading...................................................................................................................... 21  
Datacasting Charge (Imposition) Amendment Bill 2004—  
Second Reading................................................................................................................. 22  
Third Reading...................................................................................................................... 22  
Radiocommunications (Receiver Licence Tax) Amendment Bill 2004—  
Second Reading................................................................................................................. 22  
Third Reading...................................................................................................................... 22  
Radiocommunications (Spectrum Licence Tax) Amendment Bill 2004—  
Second Reading................................................................................................................. 22  
Third Reading...................................................................................................................... 22  
Radiocommunications (Transmitter Licence Tax) Amendment Bill 2004—  
Second Reading................................................................................................................. 22  
Third Reading...................................................................................................................... 22  
Radio Licence Fees Amendment Bill 2004—  
Second Reading................................................................................................................. 22  
Third Reading...................................................................................................................... 22  
Tax Laws Amendment (2004 Measures No. 6) Bill 2004—  
Second Reading................................................................................................................. 23  
Third Reading...................................................................................................................... 35  
Register Of Members’ Interests ......................................................................................... 35  
Committees—  
Corporations and Financial Services Committee—Report............................................... 36  
Superannuation Supervisory Levy Imposition Amendment Bill 2004................................. 36  
Authorised Deposit-taking Institutions Supervisory Levy Imposition Amendment Bill 2004 ................................................................. 36  
Life Insurance Supervisory Levy Imposition Amendment Bill 2004................................. 36  
General Insurance Supervisory Levy Imposition Amendment Bill 2004............................ 36  
Retirement Savings Account Providers Supervisory Levy Imposition Amendment Bill 2004 ................................................................. 36  
Authorised Non-operating Holding Companies Supervisory Levy Imposition Amendment Bill 2004 ................................................................. 36  
Financial Institutions Supervisory Levies Collection Amendment Bill 2004—  
Returned from the Senate.................................................................................................. 36  
Tax Laws Amendment (2004 Measures No. 7) Bill 2004—  
Second Reading................................................................................................................. 36  
Consideration in Detail...................................................................................................... 60  
Third Reading...................................................................................................................... 61  
Bankruptcy and Family Law Legislation Amendment Bill 2005—  
First Reading.................................................................................................................... 61  
Workplace Relations Amendment (Fair Dismissal Reform) Bill 2004—  
Second Reading................................................................................................................. 61  
Ministerial Arrangements................................................................................................. 66  
Questions Without Notice—  
Ms Cornelia Rau............................................................................................................. 67  
Economy: Performance ............................................................................................... 67
## CONTENTS—continued

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterans: Military Compensation</td>
<td>67</td>
</tr>
<tr>
<td>Iraq</td>
<td>69</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>70</td>
</tr>
<tr>
<td>Health: General Practitionians</td>
<td>71</td>
</tr>
<tr>
<td>Workplace Relations</td>
<td>71</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>72</td>
</tr>
<tr>
<td>Roads: Safety</td>
<td>73</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>74</td>
</tr>
<tr>
<td>Trade: Malaysia</td>
<td>74</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>75</td>
</tr>
<tr>
<td>Bankruptcies</td>
<td>76</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>76</td>
</tr>
<tr>
<td>Education: Vocational Education and Training</td>
<td>77</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>78</td>
</tr>
<tr>
<td>Employment: Work for the Dole</td>
<td>79</td>
</tr>
<tr>
<td>Minister for Local Government, Territories And Roads—</td>
<td></td>
</tr>
<tr>
<td>Censure Motion</td>
<td>80</td>
</tr>
<tr>
<td>Personal Explanations</td>
<td>95</td>
</tr>
<tr>
<td>Questions to the Speaker—</td>
<td></td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>96</td>
</tr>
<tr>
<td>Parliament House: Nurses’ Centre</td>
<td>96</td>
</tr>
<tr>
<td>Department of Parliamentary Services: Hansard</td>
<td>96</td>
</tr>
<tr>
<td>Auditor-General’s Reports—</td>
<td></td>
</tr>
<tr>
<td>Report No. 26 of 2004-05</td>
<td>96</td>
</tr>
<tr>
<td>Documents</td>
<td>97</td>
</tr>
<tr>
<td>Matters of Public Importance—</td>
<td></td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>97</td>
</tr>
<tr>
<td>Workplace Relations Amendment (Fair Dismissal Reform) Bill 2004—</td>
<td></td>
</tr>
<tr>
<td>Second Reading</td>
<td>97</td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>99</td>
</tr>
<tr>
<td>Adjournment</td>
<td></td>
</tr>
<tr>
<td>Waratah Shield</td>
<td>99</td>
</tr>
<tr>
<td>Indian Ocean Tsunami</td>
<td>101</td>
</tr>
<tr>
<td>Lowe Electorate: Aircraft Noise</td>
<td>102</td>
</tr>
<tr>
<td>Barker Electorate: Wine Industry</td>
<td>103</td>
</tr>
<tr>
<td>Arts: Australia Council</td>
<td>104</td>
</tr>
<tr>
<td>Tourism: Decipher Program Launch</td>
<td>105</td>
</tr>
<tr>
<td>Regional Services: Program Funding</td>
<td>106</td>
</tr>
<tr>
<td>Notices</td>
<td></td>
</tr>
<tr>
<td>Minister for Local Government, Territories And Roads</td>
<td></td>
</tr>
<tr>
<td>Adjournment</td>
<td></td>
</tr>
<tr>
<td>Nelson Mandela</td>
<td>141</td>
</tr>
<tr>
<td>Moncrieff Electorate</td>
<td>142</td>
</tr>
<tr>
<td>Throsby Electorate: Telecommunications Services</td>
<td>143</td>
</tr>
<tr>
<td>Education: Teachers</td>
<td>145</td>
</tr>
<tr>
<td>Indian Ocean Tsunami</td>
<td>146</td>
</tr>
<tr>
<td>Foreign Affairs: Thailand</td>
<td>147</td>
</tr>
</tbody>
</table>
QUESTIONS IN WRITING

Health: Medical Practitioners—(Question No. 34) .......................................................... 149
Throsby Electorate: Bulk-Billing—(Question No. 77) ......................................................... 149
Environment: National Heritage Trust—(Question No. 188) ........................................ 150
Attorney-General’s: Australian Workplace Agreements—(Question No. 201) ............... 151
Brand Electorate: Job Network Providers—(Question No. 225) ..................................... 152
Health: Medicare Safety Net—(Question No. 240) .......................................................... 156
Treasury: Legal Services—(Question No. 264) ................................................................. 156
Attorney-General’s: Legal Services—(Question No. 269) ............................................... 157
National Water Commission—(Question No. 284) .......................................................... 158
Environment: Coastal Catchment Initiative—(Question No. 287) ............................... 160
Environment: Coastal Catchment Initiative—(Question No. 289) .................................. 161
Environment: Coastal Catchment Initiative—(Question No. 293) .................................. 161
Environment: Coastal Catchment Initiative—(Question No. 294) .................................. 162
Taxation: Policy—(Question No. 297) .......................................................... ........................ 162
Treasury: Legal Services—(Question No. 307) ................................................................. 162
Health: Funding—(Question No. 309) .......................................................... ........................ 163
Health and Ageing: Domestic and Overseas Air Travel—(Question No. 332) .................. 164
Kingsford Smith Electorate: Job Network Providers—(Question No. 354) ..................... 165
Defence: Courts Martial—(Question No. 368) ................................................................. 172
Defence: Visiting Warships—(Question No. 380) ............................................................. 172
Banks Electorate: Job Network Providers—(Question No. 382) ....................................... 174
Banks Electorate: Child-Care Centres—(Question No. 384) .......................................... 179
Banks Electorate: Child-Care Centres—(Question No. 386) .......................................... 185
Xstrata Alloys: Vanadium Mine—(Question No. 406) ...................................................... 188
The SPEAKER (Hon. David Hawker) took the chair at 9.00 a.m. and read prayers.

TAX LAWS AMENDMENT (2005 MEASURES No. 1) BILL 2005

First Reading
Bill presented by Mr Brough, and read a first time.

Second Reading
Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (9.01 a.m.)—I move:

That this bill be now read a second time.

This bill makes amendments to various taxation laws to implement a range of changes and improvements to Australia’s taxation system. Firstly, as announced in the 2004-05 budget, this government is amending the Fringe Benefits Tax Assessment Act 1986 to improve access to certain fringe benefits tax exemptions for small business. Schedule 1 will extend the FBT exemption for employer provided remote area housing, by removing the requirement for businesses to establish that such housing benefits are customary in a particular industry. The amendments will also broaden the FBT exemption for work related items to include personal digital assistants and portable printers designed for use with portable computers. In addition, the existing FBT exemptions for relocation costs will be extended to include the engagement of a relocation consultant to assist in the relocation of employees.

Secondly, the bill sets effective life caps for the decline in value of buses, light commercial vehicles, trucks and truck trailers. These statutory caps represent the maximum period over which deductions for the decline in value of these assets can be taken. This will allow taxpayers the option of either continuing to self-assess the effective life appropriate to their circumstances, or utilising the effective life caps as determined by this measure. These amendments enable transport operators to maintain a younger, safer fleet and assist the industry to manage the nation’s growing freight task.

Schedule 3 amends the A New Tax System (Goods and Services Tax Act) 1999. The amendments ensure that the goods and services tax will apply where a non-resident enterprise supplies from overseas a right or option to goods, services or other things that are for consumption in Australia. The amendments reflect the broad policy intent of the GST legislation to tax private consumption of most goods, services and other things in Australia. This measure will help ensure that there is competitive neutrality between similar supplies made by offshore and by Australian based businesses and will ensure these latter businesses are not disadvantaged. The amendments will apply from the date this bill is introduced into parliament, reflecting that this is an integrity measure addressing an unintended consequence in the GST law.

Finally, this bill introduces the new mature age worker tax offset. The new tax offset will reward and encourage mature age workers who choose to stay in the work force. This is part of the government’s strategy to deal with the demographic challenge posed by the ageing of our population. It recognises that improving the labour force participation of mature age workers will improve productivity, thereby assisting in securing Australia’s future economic strength. It also demonstrates the government’s commitment to and appreciation of older workers. This measure will provide a maximum annual tax offset of $500 on the income tax liability of workers aged 55 years and over. Full details of the measures in this bill are contained in the explanatory memorandum. I commend
the bill and present the explanatory memorandum.

Debate (on motion by Mr Murphy) adjourned.

AGED CARE AMENDMENT (TRANSITION CARE AND ASSETS TESTING) BILL 2005

First Reading

Bill presented by Ms Julie Bishop, and read a first time.

Second Reading

Ms JULIE BISHOP (Curtin—Minister for Ageing) (9.05 a.m.)—I move:

That this bill be now read a second time.

Since coming to office in 1996, the coalition government has worked consistently to ensure that older Australians needing long-term care have access to a high-quality and affordable aged care system capable of meeting their needs and preferences. The substantial reforms the government introduced in the Aged Care Act 1997 were necessary, wide ranging and effective, especially in improving the quality of care and accommodation in government subsidised aged care homes.

While the individual needs of older Australians remain our priority, the coalition government recognises that with the ageing of Australia’s population it is necessary that we put in place policies now to ensure the future sustainability of the aged care sector. In relation to residential aged care, the government commissioned the eminent economist Professor Warren Hogan to undertake the Review of Pricing Arrangements in Residential Aged Care—the Hogan review.

In response to the recommendations of the Hogan review, and to continue its commitment to the provision of quality aged care, the government is providing $2.2 billion through its Investing in Australia’s Aged Care: More Places, Better Care budget package. This package will bring the government’s total investment in the care of older Australians to $30 billion over the next four years; $6.7 billion in 2004-05 rising to $8.2 billion in 2007-08, resulting in a total of $67 billion between 1996 and 2008. To implement certain measures in the Investing in Australia’s Aged Care: More Places, Better Care package, amendment of the Aged Care Act 1997 is required. This bill amends the act, firstly to support the implementation of the Transition Care Program and secondly to allow the transfer of assets testing to Centrelink and the Department of Veterans’ Affairs.

In the 2004-05 federal budget, the coalition government announced the establishment of a national Transition Care Program, comprising 2,000 transition care places, to assist older people who, after a hospital stay, require more time and support in a non-hospital environment to complete their restorative process, optimise their functional capacity and consider their longer term care arrangements.

The aims of the Transition Care Program include ensuring that older Australians receive appropriate care in appropriate settings. The program is designed to better integrate hospital and aged care services across the whole health sector.

The Transition Care Program will ease pressures on health services for older Australians by providing greater access to a full range of aged care services in hospital, residential and community care. Through this program, the Australian government is ensuring that more older people leaving hospital receive additional rehabilitation support, building on existing services.

This bill includes amendments which provide leave arrangements to allow existing recipients of residential care services to receive transition care following an acute episode requiring hospitalisation and prior to returning to their aged care home. This will
be achieved by creating a new category of leave from residential care for the purpose of receiving ‘flexible care’. A subsequent amendment to the residential care subsidy principles will specify transition care as a form of ‘flexible care’ for which leave from residential care is available.

The coalition government intends to provide funding for up to 12 weeks transition care and the opportunity to extend the 12 weeks to 18 weeks when a person’s clinical care needs require this. The Australian government will also continue to pay the approved provider of the residential aged care service the subsidy for the care recipient while they are in transition care. This enables the approved provider to keep the place available for the care recipient when he or she is ready to return. Consistent with the existing provision for hospital leave, the subsidy will reduce after 30 days.

In the 2004-05 federal budget, the coalition government also announced the transfer of assets testing for residents and potential residents of aged care facilities from approved providers to Centrelink and the Department of Veterans’ Affairs. By removing the necessity for approved providers to undertake assets assessments, approved providers will be relieved of the administrative burden of conducting assessments and will be able to spend more time caring for residents. In addition, approved providers will have greater certainty as to their income due to the experience of Centrelink and the Department of Veterans’ Affairs to conduct accurate and consistent assessments.

In most instances, this assessment will be undertaken prior to entry into a residential aged care facility. This will enable residents and prospective residents to be better placed to make decisions about their care needs because they will have greater certainty about their financial situation and status prior to entry. It will also help to reduce the level of paperwork and administration required by the government of aged care providers and free up more time for nursing and other staff to spend caring for older Australians.

The amendments to the act enable assessment of assets to be carried out by Centrelink and the Department of Veterans’ Affairs and ensure the new arrangements work smoothly, by extending the period in which a provider must enter into an agreement with a resident from seven to 21 days. This is so there is no barrier to providers accepting residents at short notice where the new assessment process of assets has not had time to be completed.

The coalition government is delivering on measures in the Investing in Australia’s Aged Care: More Places, Better Care package including:

- the conditional adjustment payment that will increase residential care subsidies by seven per cent over four years;
- the payment of a one-off capital payment of $3,500 per resident for fire and safety compliance;
- increasing the viability supplement paid to rural and remote providers;
- increasing work force training places; and
- establishing the Commonwealth Carelink Services Directory web site which provides information about aged care homes to assist older Australians, their families and carers to make informed choices about their aged care needs.

This bill delivers two more measures in the Investing in Australia’s Aged Care: More Places, Better Care package. This demonstrates the coalition government’s strong commitment to ensuring a robust and viable aged care sector into the future providing...
high-quality and affordable care to older Australians. I commend this bill to the House and present an explanatory memorandum.

Debate (on motion by Mr Crean) adjourned.

DEFENCE AMENDMENT BILL 2005

First Reading

Bill presented by Mrs De-Anne Kelly, and read a first time.

Second Reading

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans’ Affairs) (9.13 a.m.)—I move:

That this bill be now read a second time.

The coalition government is committed to developing a more combat focused, better equipped, and more mobile and operationally ready Australian Defence Force. There is a clear public and government expectation that the Australian Defence Force should be drug free. Misuse of drugs poses a significant risk to the operational effectiveness of the Australian Defence Force because of the potential consequences if, for example, a Defence Force member under the influence of drugs were to be in a safety or operationally critical area. Involvement with drugs has the potential to reduce performance, impair health and increase security risks. It also has adverse consequences for morale, discipline and public confidence in the Australian Defence Force.

The creation of a strong and effective drug-testing regime for Australian Defence Force members will act as a strong deterrent to prohibited substance use or misuse of prescription drugs. In order to meet this challenge, the government considers that change is needed to extend the scope of the current legislative drug testing regime for the Australian Defence Force.

The original purpose of part VIIIA of the Defence Act 1903, the principal act relating to the administration of the Australian Defence Force, was to allow urinalysis testing of Australian Defence Force members in a limited range of circumstances. These provisions were developed in the early 1990s at a time when drug testing was in its infancy. They reflect a conservative approach that is now seen to be overly prescriptive and inflexible. In particular, part VIIIA currently only permits members on combat or combat related duties to be tested and testing is confined to particular narcotic substances. It does not allow testing for steroids, benzodiazepines and other non-narcotic drugs. Further, where members test positive, only limited administrative action can be taken.

These limitations under the legislative drug-testing program were a major reason why a command initiated program of drug testing was implemented. This program was used for drug testing until September last year, when a Defence Force magistrate’s finding was made that there is no scope for such testing outside part VIIIA of the Defence Act. The command initiated program has therefore been temporarily suspended whilst changes to part VIIIA have been pursued to ensure that the legislation better reflects Defence Force policy regarding drug use. The purpose of this bill is, therefore, to amend part VIIIA of the Defence Act to provide a more comprehensive prohibited substance testing regime. I now turn to the key features of the bill.

The proposed amendments to part VIIIA of the Defence Act will expand the range of drugs that may be tested for beyond narcotic substances. Testing will now also include steroids and other prohibited substances, as determined by the Chief of the Defence Force, including the group commonly called ‘party drugs’.

These amendments will broaden the circumstances when testing of Defence Force
members could be required beyond those circumstances where members are on combat and combat related duties to include all members of the Australian Defence Force and defence civilians who accompany members overseas, but only where those defence civilians have consented to being subject to military discipline.

The bill makes provision for testing by means other than urinalysis and will allow new tests to be incorporated into the testing regime by means of a determination by the Chief of the Defence Force as these tests are developed and gain Australian accreditation. It will also enable details of the drug-testing regime to be set out in Defence instructions issued under section 9A of the Defence Act to provide for flexibility in the testing regime’s administration and enable it to keep pace with modern developments in drugs and drug testing.

The amendments will clarify the power to take action to terminate or discharge a member of the Australian Defence Force or to take other administrative action where a member returns a confirmed positive test result. These changes do not affect the requirement to ensure that tests be conducted in circumstances affording reasonable privacy to the person being tested, nor do they abrogate the opportunity for a person to show cause where that person has returned a confirmed positive test result.

This bill further makes provision for incorporation into Defence instructions of any instrument in force from time to time and allows the power to issue Defence instructions to be delegated. Finally, the bill allows functions under part VIII A relating to the testing for prohibited substances to be delegated to senior officers of the Australian Defence Force.

Drug testing is a sensitive and topical issue. These amendments to part VIII A of the Defence Act aim to deter the illegal use or misuse of prohibited substances. The amendments are an indication of this government’s commitment to the safety of our Defence members and ensuring that Australia has a Defence Force that is both efficient and operationally effective in its capacity to defend Australia and its national interests. They are part of a larger strategy to address these issues. For example, the ADF Alcohol, Tobacco and Other Drugs Service provides education, training, resources and advice to Defence Force members and commanders regarding issues relating to alcohol, tobacco and other drug awareness. This service was introduced in May 2002 as part of the ADF mental health strategy. Australian Defence Force members are provided with annual information sessions regarding both alcohol and drug policy and testing programs. These sessions support the information sessions provided during initial training of all new recruits.

The success of this strategy is evident from the relatively low use of prohibited drugs found under the suspended command initiated drug-testing program. This success is compared against the statistics available relating to the use of prohibited drugs in the general population. From February to September last year, 7,637 members were tested and only 110 of those tested returned confirmed positive test results. This represents only 1.44 per cent of those members tested. In comparison, a Commonwealth Department of Health and Ageing survey in 2000 reported that 23 per cent of Australians over 14 years of age had used prohibited drugs in the preceding 12 months.

I conclude by saying that there are currently 52,000 permanent members in the Australian Defence Force and 20,000 reserve members, some of whom are deployed from the Solomon Islands to Iraq—and many are deployed to places in between. These mem-
bers serve with professionalism and courage. The measures in this bill will assist our Defence Force members in furthering their high standards and professionalism.

I present the explanatory memorandum to the bill.

Debate (on motion by Mr Crean) adjourned.

TELECOMMUNICATIONS (CONSUMER PROTECTION AND SERVICE STANDARDS) AMENDMENT (NATIONAL RELAY SERVICE) BILL 2005

First Reading

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

Second Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.21 a.m.)—I move:

That this bill be now read a second time.

The Telecommunications (Consumer Protection and Service Standards) Amendment (National Relay Service) Bill 2005 amends part 3 of the Telecommunications (Consumer Protection and Service Standards) Act 1999, which establishes the National Relay Service (NRS). The NRS provides people who are deaf, or have a hearing and/or speech impairment, with access to a standard telephone service, using operators who relay text messages to other telephone users. The NRS operates 24 hours a day, every day of the year, and includes a text based emergency service. It is funded by a levy on eligible telecommunications carriers. The legislation requires the NRS to be provided by a person under a single contract to provide all aspects of the NRS. The amendments would allow the Commonwealth to consider the option of contracting with more than one provider to supply different components of the NRS, if that were deemed to be a more efficient and effective service model. The ability to contract with more than one provider would also enable a staged transition between service providers in the event of a new provider winning a tender for provision of the NRS. This would minimise risks to the reliability and continuity of service for users of the NRS during the transition from one provider to another.

I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by Mr Crean) adjourned.

AUSTRALIAN INSTITUTE OF MARINE SCIENCE AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.24 a.m.)—I move:

That this bill be now read a second time.

The Australian Institute of Marine Science, AIMS, is a public sector research agency with the mission to generate and transfer knowledge to support the sustainable use and protection of the marine environment through innovative, world-class scientific and technological research.

Mr Crean—A very good organisation.

Mr McGauran—The member for Hotham, as a former science minister, as I am, joins me in acknowledging the record of achievement and service of AIMS and all
associated with it over a very long time. The member for Hotham will remember Dr Joe Baker, as a director of AIMS based in Townsville, laying the foundation stone for the great research organisation it is today.

AIMS was established by the Australian Institute of Marine Science Act 1972 in recognition of the growing importance of the marine sector to Australia. The AIMS Research Plan 2003-06 identified that the work of AIMS contributes to four of the national research priorities: an environmentally sustainable Australia, frontier technologies for building and transforming Australian industries, promoting and maintaining good health, and safeguarding Australia. AIMS research also contributes to the implementation of Australia’s Oceans Policy, which provides an integrated strategy for the exploration and ecologically sustainable utilisation of marine natural resources. The development and actioning of regional marine plans is an important part of this policy, and AIMS work is contributing to the progress of such plans for Australia’s tropical oceans.

AIMS research and other activities have a tropical and Northern Australia focus, with scientists based at three locations: Townsville, Queensland—the main site; Darwin, Northern Territory; and Fremantle, Western Australia. AIMS builds critical mass through collaborative arrangements, both nationally and internationally. AIMS’s current research plan includes three new initiatives to enhance collaboration. These are the Arafura Timor Research Facility, a major national research facility run jointly with the Australian National University; the AIMS and United States National Ocean and Atmospheric Administration strategic partnership, which examines coral reef ecology, water quality and climate change; and, thirdly, the AIMS@JCU joint venture, a formal collaborative arrangement between AIMS and James Cook University.

The AIMS@JCU joint venture has the purpose of formally strengthening the ties between AIMS and James Cook University. The Australian government provided AIMS with funds in the 2003-04 federal budget to help implement the joint venture and hence further contribute to making Townsville one of the world’s acclaimed centres for research and teaching in marine science. The joint venture agreement was signed on 17 June 2004 and an independently chaired board of management has been established. The board is overseeing the strategic management and decisions pertaining to the joint venture.

The AIMS@JCU joint venture has identified to date two research programs as core activities under the agreement. They are aquaculture and coastal processes and marine modelling. The joint venture will examine the potential for a biotech program in 2005. AIMS and JCU agreed to use the funds provided by the Australian government for the joint venture to build a state-of-the-art fibre optic communication link between the two institutions and to fund extra research student places.

The first part of the bill contains amendments that will further support collaboration between AIMS and JCU. Through the appointment of a JCU nominated member to the Council for the Institute of Marine Science, the governing body of AIMS, greater coordination between the two institutions will be encouraged. Increasing council membership in this way, from the current six to seven members, is intended to specifically support the endeavours of the AIMS@JCU joint venture while not affecting the council’s current capacity to access expertise external to AIMS.

The inclusion of a JCU nominated member on the council is an action that accords with the findings from the 2004 Review of Closer Collaboration Between Universities.
and Major Publicly Funded Research Agencies. This review found that the current level of collaboration is extensive, at the individual researcher level, but there is an opportunity to enhance the level of collaboration at the organisational and higher strategic level.

The proposed change of the title of the head of AIMS from ‘Director’ to ‘Chief Executive Officer’ accords with current terminology for such a position, for example as in use by the Australian Research Council and the National Health and Medical Research Council. ‘Chief Executive Officer’ clearly identifies the holder of the office as the head of AIMS, clarity that is important when developing professional relationships and arrangements on behalf of AIMS.

I wish to thank all those involved in bringing about this joint venture and the officials from the Department of Education, Science and Training who ensured that the interests of both institutions were protected and even enhanced by this arrangement, all in the interests of better and greater science. In particular, I wish to thank the previous director of AIMS, Steven Hall, and his successor—the current director, Ian Poiner—both outstanding scientists and administrators of AIMS. I wish them well under the leadership of the chairman of the AIMS council, Norbury Rogers, who brings a great deal of dedication and hard work to his role. All at AIMS are to be congratulated in partnership with JCU for this landmark collaboration of a formal kind which will lead to better science and therefore better and more sustainable use of the coastal and tropical environment. Congratulations to all involved. I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by Mr Crean) adjourned.

**APPROPRIATION BILL (No. 3) 2004-2005**

**First Reading**

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

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

**Second Reading**

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (9.31 a.m.)—I move:

That this bill be now read a second time.

It is with great pleasure that I introduce Appropriation Bill (No. 3) 2004-2005.

There are three additional estimates bills this year: Appropriation Bill (No. 3), Appropriation Bill (No. 4) and Appropriation (Parliamentary Departments) Bill (No. 2). I shall introduce the latter two bills shortly.

The additional estimates bills follow on from the appropriation bills that were introduced into the House on the occasion of the 2004-05 budget. They seek authority from parliament for the additional appropriation of moneys from the consolidated revenue fund, in order to meet funding requirements that have arisen since the last budget. I should also mention that the funding associated with the government’s response to the tsunami will be provided for in separate legislation which is likely to be introduced into the House towards the end of the autumn sittings.

The total appropriation being sought through the additional estimates bills this year is approximately $2 billion, which is partially offset by expected savings in appropriations of around $298.6 million. Taking savings into account, the net increase in appropriation being sought since the 2004-05 budget is approximately $1.7 billion—I am
at something of a disadvantage as to whether or not to go to the exact decimal point; I will say approximately $1.8 billion or about 3.4 per cent of total annual appropriations. These savings are described in the document accompanying the bills, the ‘Statement of Savings Expected in Annual Appropriations’, which I will table shortly.

The total appropriation being sought in bill 3 this year is around $1.54 billion. This appropriation arises from changes in the estimates of program expenditure, due to variations in the timing of payments and forecast increases in costs, reclassifications and policy decisions taken by the government since the last budget, most of which have been described in the Mid-Year Economic and Fiscal Outlook document published in December last year.

Bill 3 includes funding for many of the government’s election commitments. In particular, it provides:

- $18.5 million to the Department of Health and Ageing to further address mental health issues, including depression and dementia;
- $10.1 million to establish the National Water Commission and provide program funding under the Australian Water Fund;
- $10 million contribution to the Department of Communications, Information Technology and the Arts towards upgrading the Penrith stadium;
- $6.9 million to the Attorney-General’s Department for additional funding for the National Community Crime Prevention program, in addition to the extra $5 million announced before the election; and
- $6.5 million to the Department of Veterans’ Affairs as additional funding to commemorate significant anniversaries in 2005, including the 90th anniversary of the Gallipoli landings and the 60th anniversary of the end of World War II.

The major items of expenditure in the bill include:

- $365.1 million to the Department of Employment and Workplace Relations in additional funding for Job Network, reflecting the continuation of record levels of performance and employment outcomes under Employment Services Contract 3;
- a net $103.8 million to the Department of Defence, which includes:
  - $149.4 million to fund accelerated depreciation for the earlier withdrawal of F111 fighter bomber planes and two guided missile frigates;
  - and
- $85.1 million in indexation adjustments. Furthermore, major items of expenditure include:
  - $123.5 million to establish Tourism Australia;
  - $78.7 million to the Department of Family and Community Services to fund Centrelink costs for the recent budget measure, More Help for Families;
  - $60 million to the Australian Taxation Office to provide transitional grants to state funded organisations which will become ineligible for an exemption from fringe benefits tax as public benevolent organisations;
  - $42.1 million to the Department of the Environment and Heritage to enhance and supplement the Great Barrier Reef structural adjustment package; and

CHAMBER
• $24.3 million to the Department of Health and Ageing for the childhood obesity package.

The remaining amount in bill 3—around $690.7 million—relates to estimates variations and other measures.

I table the ‘Statement of Savings Expected in Annual Appropriations’ and commend the bill to the House.

Debate (on motion by Mr Crean) adjourned.

MINISTER FOR LOCAL GOVERNMENT, TERRITORIES AND ROADS

Motion

Mr BEAZLEY (Brand—Leader of the Opposition) (9.36 a.m.)—I move:

That so much of the standing and sessional orders be suspended as would enable the Minister for Local Government, Territories and Roads to come into the House and immediately table all documents, emails and notes held in his office and his department associated with the Tumbi Creek fiasco.

This is the engineering report on which the Commonwealth will spend $1½ million—

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.37 a.m.)—I move:

That the member be no longer heard.

Question put:

That the motion (Mr McGauran’s) be agreed to.

The House divided. [9.41 a.m.]

(The Deputy Speaker—Mr Jenkins)

Ayes……………. 78
Noes……………. 57
Majority……….. 21

AYES

NOES
Question agreed to.

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

Mr KELVIN THOMSON (Wills) (9.49 a.m.)—I second the motion. This creeping Jesus of a minister, coming in here after eight o’clock at night—

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.49 a.m.)—I move:

That the member be no longer heard.

Question put:

That the motion (Mr McGauran’s) be agreed to.

The House divided. [9.51 a.m.]

(The Deputy Speaker—Mr Jenkins)

AYES

Abott, A.J.  Anderson, J.D.
Andrews, K.J.  Baird, B.G.
Baker, M.  Baldwin, R.C.
Barresi, P.A.  Bishop, B.K.
Bishop, J.I.  Broadbent, R.
Brough, M.T.  Cadman, A.G.
Causley, I.R.  Ciobo, S.M.
Cobb, J.K.  Costello, P.H.
Downer, A.J.G.  Draper, P.
Dutton, P.C.  Elson, K.S.
Entsch, W.G.  Farmer, P.F.
Fawcett, D.  Gambaro, T.
Gibbons, S.W.  Grier, S.J.
Gibbons, S.W.  Grier, S.J.
Hall, J.G.  Hoare, K.J.
Kerr, D.J.C.  Lawrence, C.M.
Macklin, J.L.  Macklin, J.L.
McMullan, R.F.  McMullan, R.F.
Murphy, J.P.  Murphy, J.P.
O’Connor, G.M.  O’Connor, G.M.
Price, L.R.S.  Price, L.R.S.
Ripoll, B.F.  Roxon, N.L.
Rudd, K.M.  Sawford, R.W.
Sercombe, R.C.G.  Smith, S.F.
Snowdon, W.E.  Swan, W.M.
Tanner, L.  Thomson, K.J.
Vamvakinou, M.  Wilkie, K.

* denotes teller

NOES

Adams, D.G.H.  Albanese, A.N.
Andren, P.J.  Beazley, K.C.
Bevis, A.R.  Bird, S.
Burke, A.E.  Burke, A.S.
Byrne, A.M.  Corcoran, A.K.
Crean, S.F.  Danby, M. *
Edwards, G.J.  Elliot, J.
Ellis, A.L.  Ellis, K.
Emerson, C.A.  Ferguson, M.J.
Fitzgibbon, J.A.  Garrett, P.
Georganas, S.  Geoghegan, B.
Gillard, J.E.  Griffin, A.P.
Hall, J.G.  Hatton, M.J.
Hoare, K.J.  Irwin, J.
King, C.F.  Livermore, K.F.
Lawrence, C.M.  McClelland, R.B.
Macklin, J.L.  McMullan, R.F.
Murphy, J.P.  O’Connor, B.P.
O’Connor, G.M.  Owens, J.
Price, L.R.S.  Quick, H.V.

CHAMBER
Question agreed to.

Mrs Bronwyn Bishop—Mr Deputy Speaker, I rise on a point of order. During the division the member for Wills used unparliamentary language concerning the minister for which he is required to apologise. Furthermore, it was said during the division so he is not covered by privilege.

Mr Melham—Well, bad luck. Go and sue him!

The DEPUTY SPEAKER (Mr Jenkins)—The honourable member for Banks is not assisting the chair.

Mr Melham interjecting—

The DEPUTY SPEAKER—I warn the honourable member for Banks. As members would realise, with the level of conversation I did not hear the remark, but if a remark was made that was unparliamentary I would ask that the honourable member for Wills withdraw it.

Mr Kelvin Thomson—I am happy to withdraw, but I said nothing during the division. I was speaking to the motion.

The DEPUTY SPEAKER—The honourable member will withdraw unconditionally.

Mr Kelvin Thomson—I am happy to.

Original question put:

That the motion (Mr Beazley’s) be agreed to.

The House divided. [9.54 a.m.]

AYES

Adams, D.G.H.
Andren, P.J.
Bevis, A.R.
Burke, A.E.
Byrne, A.M.
Crean, S.F.
Edwards, G.J.
Ellis, A.L.
Emerson, C.A.
Fitzgibbon, J.A.
Georganas, S.
Gibbons, S.W.
Grierson, S.J.
Hall, J.G. *
Hoare, K.J.
Kerr, D.J.C.
Lawrence, C.M.
Macklin, J.L.
McMullan, R.F.
Murphy, J. P.
O’Connor, G.M.
Price, L.R.S.
Ripoll, B.F.
Rudd, K.M.
Sercombe, R.C.G.
Snowdon, W.E.
Tanner, L.
Vamvakinou, M.
Windsor, A.H.C.

NOES

Abbott, A.J.
Andrews, K.J.
Baker, M.
Barresi, P.A.
Bishop, B.K.
Broadbent, R.
Cadman, A.G.
Ciobo, S.M.
Downer, A.J.G.
Dutton, P.C.
Eatsch, W.G.
Fawcett, D.
Forrest, J.A.
Gash, J.
Haase, B.W.
Hartseyker, L.
Hockey, J.B.
Hunt, G.A.
Johnson, M.A.
Keenan, M.
The total additional appropriation being sought in Appropriation Bill (No. 4) 2004-2005 is around $552.6 million.

The principal factors contributing to the additional requirement since the 2004-05 budget include $81.8 million in additional payments to the states and territories. These payments include the fulfilment of election commitments from last year, such as:

- $30 million to the Department of Transport and Regional Services for the expansion of the Roads to Recovery program;
- $10 million to the Department of Health and Ageing to develop a prototype, world-class cancer centre at the Melbourne Royal Children’s Hospital;
- $5 million to the Department of Health and Ageing to establish a national critical care and trauma response centre at Royal Darwin Hospital; and
- $4.1 million to the Department of Health and Ageing for a new positron emission tomography scanner at Westmead Hospital.

Another major component of the payments to the states and territories is $17.7 million to the Department of Industry, Tourism and Resources for additional compensation to Victoria and New South Wales for company taxes paid through Snowy Hydro Ltd.

Bill No. 4 also proposes $420.8 million in additional appropriation for non-operating expenses. Election commitments also feature in these payments, including:

- $11 million to the Australian Customs Service for new mail, biological and chemical screening capabilities; and
- $6.4 million to the Australian Federal Police for specialist counter-terrorism equipment.
The remaining components of Bill No. 4’s non-operating items include:

- $84.6 million to the Department of Industry, Tourism and Resources to pay the government’s loan guarantee for the Australian Magnesium Corporation ahead of schedule, extinguishing the $90 million liability;
- a net $76.5 million to the Department of Defence, which is largely related to reclassifying the logistics support budget from maintenance related expenses to the purchase of repairable items;
- $72.2 million to the Department of Transport and Regional Services to reclassify capital works in the Indian Ocean Territories from departmental to administered appropriations;
- $65.8 million to the Department of Foreign Affairs and Trade and Austrade to enhance security in Australian diplomatic missions, including blast-proofing windows; and
- $25.7 million to the Department of Employment and Workplace Relations to address the cash requirements of expenses incurred in relation to the Job Network in 2003-04, reflecting the high levels of activity and outcomes under Employment Services Contract 3.

Finally, the bill includes $50 million for a new administered expense for the National Water Commission. These grant and program funds represent the first part of the government’s election policy to establish the Australian water fund.

I commend the bill to the House.

Debate (on motion by Mr Ripoll) adjourned.
Debate resumed from 9 February, on motion by Mr McGauran:

That this bill be now read a second time.

Mr NEVILLE (Hinkler) (10.09 a.m.)—I am pleased to speak on the Australian Communications and Media Authority Bill 2004 and related bills, which herald a new era in communications regulation for the Commonwealth of Australia. In essence, these bills will amalgamate two existing entities, namely the Australian Communications Authority and the Australian Broadcasting Authority—namely the ACA and the ABA, as we have grown to know them—so that the government can better regulate and administer our rapidly evolving communications sector. I think we are all familiar with the workings of the ACA and the ABA and realise that between them their jurisdiction extends to regulating communications infrastructure and carriage services, broadcast content, spectrum issues, licensing decisions and media ownership matters. This is a huge scope.

The ACA focuses primarily on issues of telecommunications and spectrum management, the licensing of telecommunications carriers, the regulation of standards and codes of practice and the administration of the universal service arrangements. The ABA, on the other hand, was established in 1992 to administer analogue and digital broadcasting and the licensing of those broadcasters. The ABA also regulates radio, television and internet content and monitors compliance of media ownership rules enshrined in current legislation. The two authorities bear a huge range of responsibilities. In days gone by, that could be adequately handled by the two authorities, but in more recent times we have seen an overlapping. For example, it makes little sense to have two bodies allocating different areas of broadcasting spectrum, as is the case.

Until recent times the nature of communications technology and infrastructure meant we could clearly delineate between the responsibilities of the ABA and the ACA but, as I said, that line is now blurring. In the past, telecommunications technology such as telephone lines and mobile phones could only deliver voice communications, and television content could only be broadcast using analogue technology. But we face a radically different communications sector today, where our telephones can interact with computers to send audiovisual data, where a simple refrigerator can operate a personal computer, where the capabilities of home computers and the internet make them an instant source of information and communication from and to the world. Rather than having to rely solely on landline telephones and telexes, we can now email, text message, picture message and page on a regular basis with increasing frequency. We can even transmit pictures—something that is causing a great deal of concern on Australian beaches, for example. The never ending stream of communications is taking place 24 hours a day, seven days a week thanks to these new communications technologies
which are wireless, decentralised and globalised. In short, new digital technologies are allowing previous distinct and separate sectors to merge and compete across increasingly convergent markets using a range of delivery technologies.

The Australian Communications Authority’s recent research project Vision 20/20 also found that Australia’s communications sector needed greater streamlining in order to keep up with development. The purpose of this study was to gauge the future form of the communications sector by looking at the convergence of radio communications, telecommunications, broadcasting and information communications technologies. The 20/20 report identified several major themes which will probably emerge in the communications sector over the coming years, with the overall trend—according to the ACA Acting Chairman, Mr Bob Horton—being one of growing complexity and convergence. The report also found that there is a growing need for more streamlined regulatory cooperation at a national and international level. This is particularly relevant to Australia’s media and communications sector, given that we as a nation have shown a distinct willingness to adopt new technologies and to use them in our everyday lives.

I remember when the former head of the ABC David Hill addressed a meeting in Bundaberg not long before I got into parliament some 12 or 13 years ago. He pointed out that we were electronic junkies, and we are. We adopt these things, and we probably take them on in a higher proportion than any other nation on earth. It follows then that our regulatory bodies must be up to scratch to control that. It is also evidenced by some staggering statistics which reflect our love affair with these new technologies. Between 1995-96 and 2000-01 the Australian economy grew by an average of 3.9 per cent, which is quite a strong result, but the communications sector achieved a growth nearly three times that—an amazing 10.4 per cent over the same time frame. Following on from that, the Bureau of Statistics reports that the number of Australian households with access to a computer has increased from around three million to more than five million since 1998, an increase of 63 per cent. The number of households with access to the internet has grown from 1.1 million to four million since 1998, an astounding 268 per cent increase. So not only has the nature of our communications changed, and therefore the nature of regulation has changed, but the demand for access to them has increased exponentially. That puts an added demand on the regulators.

The increasing scope of internet usage and content has led to radical changes in our work environment and our methods of social interaction. On top of that, changes in technology have ever-widening implications for industry regulation. It is increasingly difficult to delineate between the responsibilities of the ABA and the ACA, to the point where it is no longer practical or effective to continue with two separate regulatory bodies dealing with similar issues. The creation of a single entity known as the Australian Communications and Media Authority will allow us to more easily regulate telecommunications, broadcasting, radio and internet industries without unnecessary duplication. We must be responsive to, if not proactive on, changing communications technologies and the Australian Communications and Media Authority Bill 2004 addresses that need. It is inevitable that the two entities, which have similar responsibilities for interlinking sectors, would need to merge operations in order to administer the sector effectively.

The associated Australian Communications and Media Authority (Consequential and Transitional Provisions) Bill 2004 contains the necessary transitional provisions
and consequential amendments. The eight minor tax bills which are attached to the bill reflect the creation of the ACMA and the revenue collection role it will assume upon the disbanding of the ACA and the ABA. The Australian Communications and Media Authority Bill 2004 amalgamates the responsibilities of the ACA and the ABA in terms of regulating our broadcasting and telecommunications sectors in all their forms under the ACMA. The ACMA’s core duties will cover telecommunications and spectrum management and broadcasting and data content. It also brings the two authorities’ associated duties—such as regulating spam, ensuring compliance with various sections of the Trade Practices Act, overseeing the ABC and SBS, regulating interactive gambling and collecting licence fees—together under one umbrella. The ACMA will also be responsible for collecting a range of taxes on behalf of the Commonwealth.

Moving away from the mechanics of the bill, I will now canvass some of the areas of the old bodies in the hope that we can look forward to greater focus and rigour in the new body. It would not come as a surprise to honourable members that I have been a fairly stringent critic of the ABA’s performance. For example, the local area plans process has dragged on in some states for an inordinate length of time, forcing those who would willingly invest in the radio industry to put their plans on hold—sometimes for years at a time. In 2000-01 I chaired the parliamentary inquiry into regional radio and the subsequent report was titled Local voices: an inquiry into regional radio. The committee highlighted this particular failing of the ABA. The committee was also critical of impediments to emergency announcements caused by excessive networking. As the stories of emergency advice failures emerged, and even before the inquiry had reported, the ABA, in association with the Federation of Australian Radio Broadcasters and the ABC, initiated a code of practice. That is an extraordinary thing to happen in the course of an inquiry. That should not have been necessary if the ABA had been doing its job. To pre-empt the committee’s report was an indication of the level of embarrassment that the key players must have felt.

During that particular inquiry we heard some extraordinary evidence—for example, radio stations that were on network having to be broken into at the local level to get emergency messages transmitted. On one occasion an emergency was reported to a hub radio station to be transmitted over its network and some fairly minor official at the radio station said, ‘Oh no, we don’t do that sort of thing. Speak to your local SES.’ That is an incredible situation. There have been other instances. For example, a town was experiencing a sudden thunderstorm and a fair degree of damage and, due to excessive networking, the hub station was broadcasting how beautiful it was in downtown so-and-so on that particular day. You might say, ‘That is just a glitch. You wouldn’t hold them responsible for that,’ but you would because, if there is a storm, if a petrol tanker overturns or something of that nature occurs, people have a right to know and know quickly. So we were very unhappy to hear that evidence. As I said, before the committee could even report, three of the major bodies involved—led by the ABA—put together a code of practice.

Another area that troubles me is the interpretation of the Broadcasting Services Act 1992. You, Mr Deputy Speaker Jenkins, and some of your colleagues who have been in this parliament for a time would remember that bill. It had some admirable objectives. For example, one objective of the act states:
(b) to provide a regulatory environment that will facilitate the development of a broadcasting
industry in Australia that is efficient, competitive and responsive to audience needs—which, clearly in those emergency cases, it was not. Another one states:

(c) to encourage diversity in control of the more influential broadcasting services ...

We have seen excessive networking now, and if everyone is listening to the same program from that hub—in some instances, across four or more states—can you really say that is diversity? No, it is not. Let me cite another objective:

(g) to encourage providers of commercial and community broadcasting services to be responsive to the need for a fair and accurate coverage of matters of public interest and for an appropriate coverage of matters of local significance—

and I repeat: ‘and for an appropriate coverage of matters of local significance’. If you do not have a local news bulletin, if your news bulletins are being networked from a hub, you are not getting local news. For example, in the Rockhampton district, in the electorate of the member for Capricornia, to get on one particular radio station you have to ring a newsroom on the Gold Coast. As this networking phenomenon increases, the objectives of the act are being slowly undermined. Another objective states:

(h) to encourage the providers of broadcasting services to respect community standards in the provision of program material ...

People in some areas of Australia like country and western music; people in other areas do not. But if the whole thing is networked then you cannot separate out those different and competing interests.

I raise those points because what follows is this: there has been a phenomenon of radio stations coming into a town and buying up competitors. Bear in mind that our media laws at present allow a broadcaster to have two licences in a market. But what I suggest is an overuse, if not a misuse, of section 67 of the act is when, in short, that allows someone to hold a third licence on a temporary basis for one or two years at the ABA’s discretion. I think that has just become a facilitatory mechanism now for people to own, control or manipulate three licences.

I saw this happen, for example, in Maryborough. One network bought the local station and its associated rock and roll station, thus owning three stations, and then sold what was at that time the most popular of the stations to the TAB. You might ask: what happened there? You then had networked programs and one station gone. So you had less diversity, less choice, less competition and less localism—which is totally in contravention of the objectives of the act. I strongly and bitterly oppose that. I think local radio should be a requirement of both networks and individual stations regardless, and I will not rest until I see that done.

Regional radio plays a very important part. A recent survey that I undertook for myself—I was not picking up anyone else’s research—showed that regional commercial radio is the most popular format in my area, followed by one particular television station, followed by the ABC, followed by the local weekly newspaper, surprisingly, and then followed by the local daily newspaper. That was the hierarchy of information-seeking on political matters. So I think this new body will need to exercise rigour in protecting diversity, competition and localism.

Returning to the mechanics of the bill, the federal Minister for Communications, Information Technology and the Arts will have the power to appoint associate members to carry out inquiries, investigations and hearings on behalf of the new ACMA, and the entity itself will have the power to establish separate divisions responsible for carrying out their particular functions. The merger
will be virtually revenue neutral, as financial resources for the ACMA for 2005-06 and 2006-07 will be drawn from the forward estimates currently in place for the ABA and the ACA. Other ongoing costs in administering the respective telecommunications and radiocommunications regulations will come from fees and licences already in place and which will continue to apply.

The amalgamation of the ABA and the ACA is a logical and effective way for the Commonwealth to keep pace with the constant evolution of our communication technologies. Having said that, I will hold the new entity to higher and more rigorous standards than those exercised by the old ABA and the ACA. The Australian public expects—and this government demands—efficient communications service delivery in all its forms and strict content regulations for all media. I add to that my plea that diversity, competition and localism be protected in regional areas.

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.29 a.m.)—in reply—I wish to thank all who have contributed to this important debate on the Australian Communications and Media Authority Bill 2004. I especially thank the member for Hinkler for his thoughtful and at times wide-ranging contribution, which touched on the necessity for ACMA from here on. As he rightly pointed out, digital technologies are reshaping traditional telecommunications and broadcasting industry sectors by allowing new types of devices and services, which in turn create new market opportunities.

The hallmark of contributions by the member for Hinkler on this whole telecommunications and broadcasting sector—numerous contributions over many years—has been his emphasis on the need to move with the times. The sector is constantly changing, especially in a technological sense but also, at times, in the sense of social expectations of the community. What drives the member for Hinkler more than anything else is the need to ensure that the light hand of regulation serves the interests of consumers, especially in regard to affordability and access. I congratulate him for being a champion, especially of far-flung rural communities, in the consideration of the necessary reforms relating to communications regulations as they come to our attention.

Needless to say, all of the speakers in the debate have supported the formation of ACMA because of the impact of convergence on communications regulation. We in the government believe that a combined regulator will be better placed to make coordinated responses to these convergence issues. Predictable as it may be, in the debate there has been some criticism from the Labor Party, as is their wont, that the formation of ACMA will not be accompanied by a more substantive review of regulatory arrangements for communications and broadcasting. Convergence will not remove the ongoing need to achieve the distinct policy objectives the government has for our telecommunications and broadcasting sectors. For the foreseeable future, it is likely to be necessary to maintain these distinct regulatory regimes. As the member for Melbourne himself said, television and radio in their current form are not going to disappear overnight—or, I might venture to suggest, in the foreseeable future.

The government considers that an administrative merger is an important step in positioning the communications regulator for the future. The merger itself will prove challenging enough for the members and staff of the authority as the functions and operations of the two organisations are combined. Undertaking a major review of frameworks at the same time would risk significant disruption.
to the administration of the regulatory framework and to the industries being regulated. Consequently the government’s approach is sensible and fair minded. However, we recognise that technological changes will continue to place pressure on those regulatory frameworks. The government will therefore continue to assess the need for reform of the wider communications regulatory environment.

I want to stress very strongly that, contrary to the suggestions of the member for Perth, much work is already taking place—for example, the digital television reviews that are being undertaken at the moment. ACMA will be better placed to implement any reforms to the regulatory framework arising from such inquiries and reviews than two separate regulators would be. There are obvious linkages between these reviews and other issues such as cross-media reform. The government will be considering these issues carefully during this year.

The establishment date for ACMA is 1 July this year or an earlier date set by proclamation. Much work has already been done to enable this time frame to be met. The agencies are well advanced in planning for the merger. It is important that ACMA is formed by the planned date. The uncertainty generated by any delay would be disruptive to both the regulators and the industry, and therefore to consumers.

Both the ACA and the ABA have a number of active appointments as a transitional arrangement prior to the establishment of ACMA. On passage of the legislation, ACMA members will be able to be appointed. In line with the administrative nature of this merger, the government has retained the appointment process currently followed by the ABA and ACA. Each member will therefore be appointed by the Governor-General on the recommendation of the government. The government will make announcements about appointments to ACMA at the appropriate time. The independence of ACMA will be maintained. The key factor in maintaining independence is the scope of the ministerial directions power. The directions power currently applying to the ABA and the ACA will be retained in respect of ACMA.

As the government has made clear on numerous occasions, the formation of ACMA is an administrative merger which will better position the communications regulator to respond to the pressures of convergence. The merger will not be the means for making changes to the regulatory frameworks for telecommunications, radio communications or broadcasting.

Details of the regulatory frameworks for the communications sector, including telecommunications carriers such as Telstra, are set out in other legislation such as the Telecommunications Act. The government has undertaken to examine the adequacy of the current regulatory regime prior to any possible future sale of Telstra. If regulatory changes are needed, the government will therefore deal with them as part of its consideration of the sale of Telstra and all the issues surrounding the sale, not through the administrative formation of ACMA.

In drawing to a conclusion, I again make the point previously highlighted by other speakers in the debate: it is becoming increasingly difficult for two separate regulators—one which is primarily focused on infrastructure and carriage issues, the other which focuses chiefly on content issues—to provide a holistic response to convergence. The establishment of ACMA forms an integral part of the government’s commitment to respond to the rapidly changing communications sector with progressive communications policies which reflect evolving market conditions. It will enable a coordinated regu-
atory response to converging technologies and services. The new authority will be better placed to take a strategic view of wider convergence issues.

Finally, the establishment of ACMA will help Australia remain at the forefront of communications regulation. A single regulatory body will be best placed to provide for the needs of industry and consumers given the rapid evolution of technologies in the communications sector.

Question agreed to.

Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.36 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a second time.

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.37 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.38 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TELECOMMUNICATIONS (NUMBERING CHARGES) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.39 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TELEVISION LICENCE FEES AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:

That this bill be now read a second time.

Question agreed to.
Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.40 a.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

DATACASTING CHARGE (IMPOSITION) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.41 a.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

RADIOCOMMUNICATIONS (RECEIVER LICENCE TAX) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.42 a.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

RADIOCOMMUNICATIONS (SPECTRUM LICENCE TAX) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.43 a.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

RADIO COMMUNICATIONS (TRANSMITTER LICENCE TAX) AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.44 a.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

RADIO LICENCE FEES AMENDMENT BILL 2004

Second Reading

Debate resumed from 2 December 2004, on motion by Mr McGauran:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Third Reading

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.43 a.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 (2004 MEASURES No. 6) BILL 2004

Second Reading

Debate resumed from 18 November 2004, on motion by Mr Brough:
That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (10.44 a.m.)—The Tax Laws Amendment (2004 Measures No. 6) Bill 2004 is another omnibus bill that seeks to make a number of necessary amendments to Australia’s tax law. The opposition is always prepared to work cooperatively with the government when it is seeking to improve tax legislation in order to respond to changing economic and social circumstances and to legitimate concerns of taxpayers and the business community alike. Labor is committed to an economically efficient and non-distortive taxation system. This means that, as far as possible, tax policy initiatives should involve minimum compliance costs and should operate in such a way as to have the least possible adverse consequences on the choices of our economic agents. This keeps the efficiency costs of the tax—the so-called ‘excess burden’—to a minimum. In this light the process of taxation reform is a key plank in any microeconomic reform agenda.

In its most recent economic survey the OECD reminded us—and this was discussed at some length in the House yesterday—that the high and sustained levels of economic growth we enjoy today were given their birth in the economic reforms of the late 1980s and the early 1990s. A significant element of that reform project implemented by the former Labor government related to tax policy. It was Labor that significantly reduced corporate tax rates and it was Labor that significantly reduced marginal tax rates in this country. It was Labor that introduced the dividend imputation system and extended it to the superannuation sector. In fact, it was Labor that extended superannuation to all Australians, a very important savings measure that has significant implications for our capital account. So it was Labor that implemented all the important tax reforms of the eighties and the nineties, and it was Labor again that introduced the capital gains tax and the fringe benefits tax. It was this side of the House that began the process of tax simplification, an area in which this government has failed dismally.

In contrast to Labor’s impressive record of reform, we have to ask ourselves what the government’s approach has been and how successful it has been. I have to say, to give it some balance, that the results have been somewhat mixed. We should make no mistake about it: this Treasurer is no friend to the Australian taxpayer. According to the government’s own statistics—as I watch the Parliamentary Secretary to the Treasurer shake his head—this government is now officially the highest taxing government in Australia’s history. The total Commonwealth tax take this year is estimated to be around $217 billion—90 per cent more than it was in 1996—which is 25 per cent of GDP.

Mr Pearce—There are more people working.

Mr FITZGIBBON—if there are more people working, Parliamentary Secretary, I would have thought your social welfare payments would be lower and maybe the tax
take could be reduced. What is more staggering than all of that is the additional burden this places on the average taxpayer. Since the coalition came to office, the tax burden per taxpayer has increased by some $11,000 and this will grow to some $14,000 over the course of the next four years. This build up has largely occurred because the Treasurer has not compensated taxpayers for the impact of inflation on the taxation scales—so-called bracket creep. I notice the ginger group on the other side have been showing some interest in that. I am trying to recall whether the parliamentary secretary is a member of that group or whether, in his position, he is not able to declare his interest in these groups.

Figures by Access Economics indicate that the personal income tax cuts are smaller in revenue terms than the impact of bracket creep. That is obvious, given what I have just said about the revenue take that the government is currently enjoying. The truth is that under this Treasurer the tax take has risen to staggering proportions. There is an urgent need for the government to provide broad based taxation relief for struggling Australian families. The Treasurer of course wasted an opportunity to do so when he went on his $52 billion spending spree in the lead-up to the last federal election when it was obvious to all Australians that he saw his job passing before his eyes. He also blew the opportunity of extending relief to ordinary Australian families by restricting his tax cuts to those earning above $52,000 annually.

When considering this bill my staff approached the Assistant Treasurer’s office for briefings on the provisions of the bill. While I thank the Assistant Treasurer for making departmental staff available, I understand that the Treasurer insisted that the briefing be truncated and relate only to new aspects of the bill. Having started by saying the opposition is always willing to be cooperative when dealing in this place with real and genuine attempts to reform the tax act in response to economic changes or concerns of the business community or of individuals, it does expect in return the government to be more cooperative with these briefings. I hope that in the future we will not have the Treasurer intervening and trying to frustrate that very important process. I know the government thinks that after 1 July it gets to run the show all on its own, but that is typical government hubris at its best, which will not be tolerated by the Australian community, I can guarantee.

Mr Deputy Speaker Scott, I can see you looking a little strained there, so I am happy to turn now to the provisions of the bill. I can see some relief on the face of the parliamentary secretary. Schedule 1 of the bill deals with the new consolidation regime, which came into operation on 1 July 2002. These amendments will apply retrospectively from 1 July 2002. The aim of the amendment is to provide greater flexibility and certainty to consolidated groups, to clarify the operation of the consolidation regime and to ensure that the regime interacts appropriately with other aspects of the income tax law. The amendments will (1), ensure that the appointment of an administrator will not prevent entities from remaining members by forcing their exit from a consolidated group; (2), provide special rules for setting the tax cost of assets that are subject to a finance lease held by an entity that becomes a member or ceases to be a member of a consolidated group; and (3), clarify the function of the cost-setting rules and the inherited history rules for assets arising from allowable capital expenditure, transport capital expenditure or exploration and prospecting expenditure in the mining industry aligning them, where possible, with other depreciable assets.
The bill ensures that the head company of a consolidated group receives appropriate allowances for the decline in the value of the joining entity’s low-value and software development pool. Similarly, both parties receive the appropriate allowances for the decline in value if the leaving entity exits taking part of the pool. The bill alleviates the notice requirements under the inter-entity lost multiplication rules during the consolidation transitional period for entities that are in the same consolidatable group. The Commissioner of Taxation will have the discretion to extend the time for giving notices or waiving the notice requirement in appropriate circumstances.

The bill sets out the treatment of irrevocable entity-wide elections. When a consolidation occurs, the head company has a choice about whether to endorse decisions made by the former company and its taxation consequences. The bill provides special rules for specified irrevocable elections or choices made by the head of the consolidated group aimed at reducing compliance costs and clarifying that, where the choices of joining companies are inconsistent with the head company, the head company has the power to make the decision. Labor supports the schedule.

Schedule 2 of the bill modifies the taxation treatment of copyright collecting societies and their members. Copyright collecting societies administer certain rights of copyright on behalf of copyright owners such as composers and authors. Income received in relation to copyrights is held by societies pending identification of, and allocation to, the copyright owner. From 1 July 2002 the societies lost their income tax exemption and have been subject to taxation as discretionary trusts. Consequently, if the society has not identified the copyright holder entitled to certain royalties by the end of the financial year, those royalties are taxed in the hands of the trustee at the top marginal rate. Because the amendments do not create a tax liability for the member at the time they become entitled to that income—that is, when their entitlement is identified by the copyright collecting society—these amendments do present a slight opportunity for income tax deferral. There are some safeguards in the bill to prevent tax avoidance. However, if these safeguards prove ineffective, it may be necessary to revisit the issue, and I invite the minister to address that point when he winds up the debate on this bill. The amendments should significantly reduce the compliance costs for copyright collecting societies, which is important in ensuring that intellectual property rights are protected in this country. The amendments will date from 1 July 2002. However, societies under certain circumstances may defer entry into the new regime if they wish until 1 July 2004. Labor supports the schedule.

Schedule 3 of the bill deals with the simplified imputation system which commenced on 1 July 2002. The amendments in this bill contain mainly consequential and technical amendments to other areas of income tax law to ensure that the SIS operates as intended—in particular, replacing references to former imputation systems with those of the simplified imputation system and updating terminology for the former imputation provisions to SIS-equivalent terms. The bill also defines the anti-avoidance rules as they apply to certain income tax exempt charities and deductible gift recipients which will be eligible for a refundable tax offset when the Tax Laws Amendment (2004 Measures No. 2) Bill 2004 comes into effect. Labor supports the provision.

Schedule 4 of the bill deals with the specific listing of numerous organisations as deductible gift recipients. DGRs have access to a range of tax concessions, including the capacity to receive donations over $2, which
allows a tax deduction for the donor. Organisations that fall within the general categories of DGRs can be endorsed by the Commissioner of Taxation as DGRs. Organisations that do not fall within those categories must be specifically listed in the Income Tax Assessment Act 1997. The Howard government has been attempting to change this requirement so that organisations could be specifically listed as DGRs by regulation rather than by legislation. This would have presented a number of issues, including lack of scrutiny of organisations being granted specific listing and the ability of the government of the day to place restrictions on organisations specifically listed to ensure that they do not, for example, criticise the government of the day. We are not convinced that this is a healthy development.

The Australian Democrats have also expressed concern that determining DGR status through regulation would remove the right of any non-government member, either in this place or the other, to propose specific listing of organisations. Regardless of the last point, Labor opposed these provisions. Labor welcomes the government’s backflip during the last session of parliament to remove these provisions from the Taxation Laws Amendment Bill (No.7) 2003.

Some schools that cater for disabled children and had previously been granted DGR status were now considered by the Commissioner of Taxation as government bodies and therefore ineligible, because government bodies cannot be considered as a charity under the requirements for DGR status. The bill will ensure that schools catering exclusively for disabled children will be able to continue to receive tax deductible gifts.

This government has sought to change the taxation treatment of charities. Its efforts were misguided and the charities bill was scaled back. This is welcome, as charities needed to be sure that they retained their common law tax concessions that the charities bill had threatened. Such charities are important to Australian social life and the community in my electorate. One such example is the Hunter Prelude Early Intervention Centre based at Kurri Kurri. It benefits some 300 families in my electorate and services not only Kurri Kurri but the local government areas of Maitland, Singleton, Muswellbrook and of course people coming from Newcastle, so it services the broader Hunter region. It is now particularly important for Hunter Prelude as it has lost some other funding that was allocated to the centre incorrectly but which had been budgeted for in good faith. So this is particularly good news for centres such as Hunter Prelude.

Schedule 5 of the bill deals with the debt to equity rules and the treatment of at-call loans. New debt-equity rules were introduced from 1 July 2001. Whether an interest is considered debt or equity has important taxation consequences. In particular, if it is considered a debt, an interest expense can be claimed by a business. At-call loans are typically made by small business owners to their own small business. They have no fixed term and are repayable on demand. Transitional rules allowed certain related party at-call loans entered into on or after 21 February 2001 and on or before 31 December 2002 to be considered a debt interest, so that an interest deduction would continue to be available. The amendments in this bill will extend the transitional period until 30 June 2005, with the effect that any at-call loans made to a company by a connected entity on or before 30 June 2005 will be treated as debt interests under the debt to equity rules and the company will continue to be able to claim an interest expense. The bill aims to allow small business more time to adjust to the new rules.
Schedule 6 of the bill amends the Income Tax Assessment Act 1997 to allow irrigation water providers in Australia who are principally in the business of supplying water to primary producers access to the water facilities tax concession and access to the landcare tax concession. Primary producers have access to accelerated depreciation for capital expenditure on water facilities—they can write off the expenditure over a three-year period rather than face the far more onerous effective life test. The bill will extend these tax concessions to irrigation water providers and will provide greater equity between the treatment of the activities of primary producers and irrigation water providers that supply those primary producers with water. The landcare concessions will be made available to irrigation water providers who supply water to businesses using rural land but, of course, exclude mining activities. ‘Irrigation water providers’ is defined as entities who provide infrastructure, water management and water storage but does not include businesses that use vehicles to transport water or who are not primarily in the business of supplying water to primary producers. The bill also includes a number of technical amendments to clarify the types of expenditures that are eligible for the concessions.

Schedule 7 broadens the exemption of the fringe benefits tax for the purchase of a new dwelling as a result of relocation, effective from 1 April 2004. An FBT exemption currently exists for costs incidental to the sale or acquisition of a dwelling as a result of relocation as long as the employee sells their previous dwelling within two years and purchases a dwelling at the new locality within four years of the commencement date of the new employment position. The amendment will ensure that, when an employee purchases a dwelling in a new locality without having already sold their dwelling at the old locality, the employer is able to access the FBT exemption for costs incidental to the purchase of the new dwelling, provided they can sell their dwelling at the old locality within two years of commencing their new employment position.

Schedule 8 of the bill amends the Income Tax Assessment Act 1997 to extend the scope of the capital gains tax event G3 to allow an administrator of a company to declare shares and other equity worthless for capital gains tax purposes. This allows taxpayers to choose to make a capital loss. If the shares subsequently regain their value, a cost base of zero will be used for future capital gains tax calculations. The amendment allows a company to appoint an administrator, rather than a liquidator, to conduct external administration proceedings.

Schedule 9 of the bill removes an anomaly in GST legislation—not a new thing in this place—by aligning the GST treatment of residents and nonresidents with regard to the services associated with supplies of residential property. A loophole currently exists which permits foreign residents who own and sell or rent out property in Australia to treat services related to this property as GST-free supplies. This means that they pay no GST but can, if registered, claim an input tax credit. For residents these services are input taxed, meaning that there is no GST and no credit.

Schedule 10 will allow people who are legally responsible for a child eligible for adoption and are in the process of applying for adoption to lodge a claim for the first child tax offset or baby bonus—preferably not to be used for the purchase of a greyhound, I should say. The law currently requires that they are the child’s legal guardian before being eligible. This amendment, which is retrospective to 1 July 2001, will ensure that, where there is a delay in custody proceedings, they can claim the baby bonus.
from the time they begin to take care of the child.

Schedule 11 includes minor technical amendments. Schedule 12 deals with the tax consequences when assets and liabilities are transferred from one life insurance company to another. The bill corrects various anomalies that act as an impediment to transfers of life insurance business and addresses concerns raised by the industry. The majority of the amendments will apply to transfers of life insurance business that take place on or after 1 July 2000.

In summary, Labor supports the provisions of the bill, and we will give them fast passage through both places. However, I invite the parliamentary secretary, the minister or whoever is summarising on behalf of the government to address some of the questions I have raised.

Mr ROBB (Goldstein) (11.05 a.m.)—This omnibus bill, the Tax Laws Amendment (2004 Measures No. 6) Bill 2004, including a diverse range of tax amendment measures, has one unifying theme: it continues the Howard government’s reputation for progressive taxation reform—a reputation for improving the efficiency of the tax system, for improving the fairness of the tax system and for providing constructive incentives within our tax system. In that sense, I welcome the support of the opposition, as has just been indicated by the previous speaker. In doing so, I take issue with the member for Hunter over his misleading comments about the state of our tax system. He conveniently ignored the fact that our tax system was materially affected by 13 years of neglect during the Labor regime.

The Labor government ducked the hard decisions—decisions such as introducing a wide-ranging goods and services tax. That meant that the Labor government presided over a very narrow tax base, which was a huge disincentive to growth in our economy and was unfair and inefficient. It meant that the Howard government has had a major task, tackling the tax mess left by 13 years of Labor. It has been an ongoing task, and this bill is just one element of that. The facts are that the changes to our taxation system, courageously undertaken by the Howard government, are one of the drivers of the great and enduring economic performance that we are benefiting from at the present time.

Moving to the provisions of the bill: firstly, the government is continuing with its roll-out of consolidations. As part of its reforms to improve the business environment, the government has enabled groups of companies and other entities to lodge tax returns as though they were a consolidated entity, so avoiding a series of expensive lodgments. The first stage of these consolidations, which was a very innovative measure, was introduced in 2001. The amendments in this bill provide for greater flexibility and certainty in the consolidation membership and loss rules, in this case with a particular focus on the mining industry.

The second measure in this bill ensures that copyright-collecting societies are not taxed on income they collect on behalf of members. The tax should be paid by the author, and this measure seeks to do just that. The third measure has to do with continuing the implementation of the simplified imputation system, which is another significant initiative as part of the government’s streamlining of business tax in 2001. The simplification system is being rolled out in tranches, and these amendments usefully correct cross-references, replacing the language of the old imputation system with the language of the new imputation system.

The fourth measure in this bill expands the list of organisations eligible to be tax-deductible gift recipients, including special
government schools for students with permanent disabilities, state emergency services and country fire authorities. I think these are worthy additions to the list of those qualifying for tax-deductible gifts, and this should be a significant boost to fundraising. It has been a priority of the Howard government to further promote a culture of giving for worthy causes, with a particular emphasis on business. The response to the tsunami demonstrates the big heart of the general Australian community and of business. These additions I think will further encourage and reinforce this generous capacity within our community.

The fifth measure seeks to extend to 30 June 2005 the existing transitional period in the debt-equity rules for at-call loans. The transition is designed to effectively allow deductions of interest paid, as the at-call loan will be treated as being on the revenue account. In effect, this amendment will give people an extra year to get their existing loans in order. As we are typically dealing with small business owners, this measure takes into consideration the time and resource pressures on our small business community.

The sixth measure takes the series of accelerated deductions available to primary producers for water facilities and land care and extends this series of accelerated deductions to the irrigators and rural water providers who are dealing with primary producers. It means that things like pumps, irrigation channels, windmills et cetera can be written off over three years rather than over the life of the asset. In regard to land care operations, full costs will be able to be claimed. These measures will provide a very important encouragement for the renewal of water supply infrastructure right around our rural community. They represent an important addition to the armoury of initiatives being taken and considered to address Australia’s water problems.

The seventh measure extends exemptions from FBT and corrects some anomalies—such as that which occurred if a person bought a new home before selling the old—in regard to relocation for work purposes. The exemption from FBT will now be extended to cases where the new home is bought before the old one is sold. The eighth measure amends capital gains tax law so that others besides the liquidator can declare shares and other equity interests in a company worthless for capital gains tax purposes, allowing taxpayers to claim a capital loss.

The ninth measure removes an anomaly relating to the GST. Currently, a property owned by a nonresident can get services to the property GST free, but if an Australian resident owns the property then services are not GST free. So this anomaly is being addressed, enabling nonresidents to be taxed, to be put on a par with Australian residents.

The 10th measure relates to the baby bonus. It puts adoptive parents on the same footing as other parents. Usually, an adopted child might be with the adoptive parents for some months or even a year before the adoptive parents are legally the child’s parents, so they have often incurred a lot of significant costs. This amendment simply allows adoptive parents, once they become legally responsible for a child, to lodge a retrospective claim.

Apart from some technical corrections, the final measure involves the transfer of life insurance business. The taxation of life insurance has its own regime, as is well known. Tax is struck on the difference between premiums received and claims—that is, it is struck on a margin rather than on gross income. As a consequence, this amendment concerns itself with companies
that are merging or where a life insurance book is being moved from one company to another within a group. The amendment removes a lot of tax consequences that would otherwise have occurred at a point of transfer—for example, the rollover of capital gain.

Many of these measures are self-evident. They are an important addition to the years of very constructive changes that have been made by the Howard government. They continue that process, and there are more in the pipeline. This bill further enhances the reputation of this government for improving the efficiency and fairness of the tax system and its reputation for providing constructive incentives within our tax system for a range of activities within our community. I commend the bill to the House.

Mrs HULL (Riverina) (11.14 a.m.)—It is a great day that I stand in this parliament to speak on the Tax Laws Amendment (2004 Measures No. 6) Bill 2004 because, for five years now, I have worked on an aspect of this bill that concerns irrigators and water providers. It is no secret in this House that I represent an electorate that is full of diverse production. To the west of my electorate is, in my opinion, the most productive area in Australia. It is primarily the irrigation aspect of that area that provides a great return to the GDP in this nation. It has intense export involvement, and its exports will only increase into the future. Primarily it is driven by the access to water, and we all know in this House that areas that have access to water are the most productive and can perhaps support the greatest level of employment.

It is vital not only that we have access to water but also that we manage water scrupulously and bring a return to this nation’s GDP, utilising the very best water practices. It was for this reason that I became very involved with the privatisation of irrigation suppliers back in 1999, and I have been working on this case ever since. In 1995 COAG recognised the need for water reform, including how we will provide water into the future and the tax treatment that it receives. Inadvertently my irrigators were mixed up in this COAG water reform process, which ultimately would have disadvantaged them. They would not have been able to apply the very real finances required to ensure that water was provided not only to the maximum benefit of the people but also with the very best of infrastructure and services available. We found that water providers and irrigation companies that were privatised in around January 1999 were not given the same tax treatment as they would have been if they were using water and determining water quality as a primary producer. Even though we had one collective that was controlling, buying and selling water on behalf of the primary producer, they would not have been able to access the tax concessions and tax deductions that they could have if they were treated as a primary producer. So for five years we were very embroiled in this debate.

I congratulate the former minister and the current minister for resolving this issue, and other ministers beforehand. This issue has involved around 16 advisers, three ministers and me over five years. We have had to start afresh every time, but we finally have a resolution. This issue significantly affects our irrigation water providers, including a number in my electorate. Over five years we have worked to have this situation corrected in recognition of the costs that are faced by irrigation water providers. These changes are now enshrined in our legislation. Hear, hear!

In my electorate of Riverina, Murrumbidgee Irrigation and Coleambally Irrigation are in the business of providing water to primary producers. The passage of this legislation will enable them to access water facilities taxation concessions and land care taxa-
tion concessions that will allow them to supply water into the future and to replace old, antiquated water-wasting assets. The moneys that might have gone back into the tax coffers will now be used to replace assets rather than being destined to refurbish and maintain assets if we had not recognised that this was an unintended consequence of a 1995 COAG water reform that my irrigators should never have been mixed up with in the first place. This amended law will improve equity for irrigation water providers such as Murrumbidgee Irrigation.

Whilst I am on my feet and speaking about these irrigation companies, may I add that Coleambally Irrigation have, as a cooperative, chosen to go down a pathway of mutualisation that will look after the irrigation around Coleambally and the water interests and needs of the people of Coleambally, including replacing assets, bridges and culverts and a whole host of channelling requirements. Coleambally Irrigation are a not-for-profit organisation, and all of their profits go back into the refurbishing and replacement of assets but they have been caught up in a situation that has cost them many hundreds of thousands of dollars, all because they are trying to do what is best for our environment by increasing production and ensuring that irrigation can continue in the Coleambally area in the future.

We are still mixed up in this very serious debacle, because there has been a court case. Coleambally Irrigation followed the model rules of the New South Wales government, and they also followed the rules of the Commonwealth. They now find themselves in the very unenviable situation of not measuring up; they have been caught by a clause that says that, if this organisation is wound up, any moneys do not go back to the shareholders. So I am hopeful that we can resolve into the future this problem that will affect not-for-profits right across the board.

This tax law amendment bill is just so exciting for me, because it means the culmination of five years of work, stress and pain that have come through this House in varying forms. We have been seeking to achieve this ultimate outcome since 1999. Irrigation providers will have access to water facilities taxation concessions if they are in the business of supplying water to primary producers—and they do not have to be a primary producer. It is all thanks to the ministers and their staff for assisting to overcome this anomaly.

The second change will allow rural land irrigation water providers to access the land care taxation concession which, of course, they should be able to access, simply because they are the ones that are providing the most phenomenal land care outcomes. Their land and water management plans right across my electorate of Riverina are putting the future of water and land care into a very sustainable position. As long as these irrigation companies supply water to primary producers or to businesses using rural land they will get the land care taxation concessions. Once again, this directly impacts on the irrigation water providers in my electorate and recognises the contribution that they have made, and are continuing to make, to our rural communities. This entire piece of tax law amendment legislation was designed for Riverina irrigators; it is a major component of my life and of their lives. I cannot tell you what a relief it is to stand in this House and speak in support of this bill. The aim of the amendment is to bring irrigation water providers into line with primary producers and businesses which would get these tax concessions—very good tax deductions—and which are in the business of ensuring very fine infrastructure to carry water and asset renewal and replacement programs in the future.
This legislation will ensure that these companies benefit from incentives that will encourage them to contribute and improve the environment around them—something that we all want to do. The Minister for the Environment and Heritage wants us to replace leaking assets and to do all of this you-beaut great work in land and water management plans and suchlike, but at the same time the people who are carrying this out will now have an important incentive rather than a liability.

Irrigation plays an important role in our rural and regional communities and in my community. My electorate has spearheaded this piece of tax law amendment legislation which will benefit electorates right across Australia. I say to those who would denounce irrigation that irrigation is going to be the saviour of all of Australia in the future if it is done properly and if water is used with the utmost care. The Hon. John Anderson is leading the charge on the national water initiative right across the nation—something that my electorate is very conscious of and has been very involved in.

Water irrigators in my electorate are keen to see these amendments passed. I am happy that today they will be very confident that this ongoing issue has been resolved. The issue of irrigation and tax laws has been a problem in the past and is an ongoing difficulty. Prior arrangements were made by the New South Wales government to provide more than $130 million to the Murrumbidgee Irrigation scheme for infrastructure restoration and were agreed to well before the formation of Murrumbidgee Irrigation as a taxable entity. This has become an unintended consequence of the implementation of the national water reform process put in place by COAG back in 1995.

Electorates such as mine have had significant infrastructure built from hard work and commitment back in the Snowy era. Griffith and the surrounding areas were a very dry dustbowl, capable of limited production, and were not able to contribute anything to the GDP. You would never have envisaged Griffith being given Australian exporter of the year for their Casella Wines. They are now contributing massive amounts to the people of Australia through the GDP every single day through access to, and very stringent and careful use of, irrigation in the Riverina region.

Murrumbidgee Irrigation provide an array of fruit, vegetables and grapes for wine manufacturing. We have a whole host of products that perhaps make us the envy of many across the nation. I would never take for granted the availability of water and what irrigation has been able to achieve in my electorate of Riverina. Even broadacre dry land farm areas are able to get strong benefits from the spin-off of irrigation on a daily basis.

I implore the House to recognise that this tax law amendment is absolutely required not only for the sustainable mechanism of irrigation but also for the future of Australian rural communities. I commend those who assisted and worked tirelessly with me on this process throughout the five years. Ulf Erickson, Dick Thompson and many members of Murrumbidgee Irrigation have stayed absolutely committed to the land and water entitlement holders on whom this was going to ultimately impact.

If we had not got this tax law amendment, irrigators would have been paying massive amounts more money, on top of the very sizeable contribution that they make now, in order to reap production that would benefit this nation. Dick Thompson stayed with this, as did John Chant at Murrumbidgee Irrigation. Ulf Erickson saw the importance of this and saw the need to present it in simple,
plain English. Rather than get into a very difficult blaming situation, they determined that they were going to put together a proposal that would recognise that they would contribute enormous amounts of money to Australian taxpayers through their activities as an irrigation company and also that they would be able to provide long-term benefits in the future for not just the Riverina but Australia as a whole.

I would like to pay tribute to and thank all those individuals who have assisted and contributed to these amendments before the House today. I would like to congratulate successive ministers on their persistent lobbying efforts, which have enabled the discrepancies, the anomalies and the unintended consequences—and therefore injustices—to be recognised and rectified. I would also like to thank the former Minister for Revenue and Assistant Treasurer Senator Helen Coonan, who certainly saw a very difficult task ahead in order to rectify this issue. Senator Coonan embraced, understood and recognised this issue. She had the tenacity to delve beneath the surface, rather than to look at what broadly seemed as though it was okay and not an anomaly. She had the insight to go forward, look inside, delve into this, ask questions, send questions back, speak to the department, question the department and question the tax office. She finally recognised that yes, this was an injustice that needed to be rectified. And not only did she recognise it but she set about putting an amendment into place. She lobbied to have the finances approved through cabinet, and through Finance and Treasury, to ensure that this injustice was rectified.

It is with great pleasure that I speak here today, full of excitement, enthusiasm and relief that we have, through this amazing five-year journey, now rectified this and put this legislation in place. I urge all those in the House, in the interests of my mental health and my capacity to represent the Riverina, to support this very important Tax Laws Amendment (2004 Measures No. 6) Bill.

Mr Hardgrave—We’ll support you.

Mrs HULL—Thank you!

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.32 a.m.)—in reply—I thank the member for Riverina, the member for Hunter and the member for Goldstein for their contributions. It is good to see that some people still get excited about taxation. There is no doubt that the member for Riverina has been a passionate advocate for her constituents, the irrigators out there in the Riverina. I think that was amply demonstrated by her very passionate contribution in the House today.

The Tax Laws Amendment (2004 Measures No. 6) Bill 2004 continues the government’s steady program of modifications and improvements to the tax laws and gives effect to a number of budget announcements. Most of these amendments lapsed when parliament was prorogued, but the government is moving to bring them back as soon as possible to try to give more certainty to taxpayers waiting for these changes.

The first measures are concerned with consolidation. As the new consolidation regime has changed the taxation landscape for many corporate groups, the government has continued its active consultation with business on its implementation. The bill takes this process a step further. These measures show that, after listening to the concerns of business, the Howard government is giving taxpayers greater flexibility and certainty as they move into the new consolidation regime.

Second, this bill ensures that copyright-collecting societies are not taxed on income collected on behalf of members. Copyright-collecting societies administer copyrights for copyright owners, including authors and
composers, and can receive payment in relation to those copyrights. The societies may hold the payments in trust until they can be distributed to the copyright owners. The bill will ensure that the copyright-collecting societies will be exempt from income tax on copyright related income and certain other income. This amendment benefits both the societies and the copyright owners and recognises the true nature of the copyright-collecting societies as conduits for copyright income payable to copyright owners.

The shadow minister, the member for Hunter, raised a question in relation to copyright and some tax implications, and I am happy to answer it at this time. In addition to the definition of a copyright-collecting society, the legislation contains integrity conditions to ensure that the timing of the payments cannot be manipulated to achieve tax advantages and that tax cannot be indefinitely deferred by societies retaining tax exempt amounts for significant periods. In particular, no member can direct a society to pay them an amount at a particular time, and societies must distribute amounts of income to members as soon as is reasonably possible once amounts have been allocated to them—that is, once the members who are entitled to payments have been identified. I hope that clears up the issue for the member opposite.

The third schedule to the bill implements a further tranche of the simplified imputation system. This tranche continues the roll-out of the simplified imputation system and includes a number of technical and consequential amendments. Next, the government is updating the list of organisations which qualify as deductible gift recipients—that is, donors receive tax deductions for donations to these organisations. In particular, the government is ensuring that special schools, which do such an important job in our country, can continue to qualify as deductible gift recipients when endorsed by the Commissioner of Taxation. Topically for this time of the year, the Country Fire Authority in Victoria and equivalent bodies in other states and territories have been assisted by being given deductible gift recipient status. This will enable these coordinating bodies to fundraise more effectively on behalf of the individual fire brigades and emergency services.

After that, the bill will provide some relief for businesses with at-call loans by extending an existing transitional provision in the debt-equity rules. To provide additional certainty for business, the existing transitional rules will be extended to related party at-call loans entered into on or before 30 June 2005. This will give businesses more time to assess existing loans and, if need be, adjust these arrangements. In the meantime, the government has announced that it will develop a carve-out from the debt-equity rules to reduce unnecessary compliance costs for many small businesses using at-call loans. This will address small business red-tape concerns while maintaining the integrity of the debt-equity tax rules.

The next measure will assist the irrigation providers, as has been clearly outlined by the member for Riverina. It will assist the rural land irrigators to renew water supply infrastructure, with a view to improving the efficiency of water delivery to primary producers. It will also encourage rural land irrigators to carry out land care operations by giving them an outright deduction for the cost of capital expenditure on land care. Another valuable feature of this measure which has not been much mentioned so far is that it clarifies the meaning of the term ‘water facility’. It will be clear that both irrigators and primary producers will be able to claim deductions over three years for work that is reasonably incidental to the purpose of conserving or conveying water. Such works might include, depending on circumstances,
a bridge over an irrigation channel or a fence to keep livestock out of an irrigation channel.

The seventh measure to this bill is one of the changes the government announced in the budget to the fringe benefits tax law to ensure that the exemption remains relevant to small businesses and other employers with regional work forces, such as both police and ambulance services. It makes sure that employers do not lose the exemption for relocation costs just because an employee buys a new house before being able to sell the original house.

The objective of the eighth measure is to allow taxpayers to more easily claim a capital loss on worthless shares. The capital gains tax rules will be simplified to allow any insolvency practitioner, not just a liquidator, to declare shares or other equity interests in a company to be worthless for capital gains tax purposes. This should be welcomed by shareholders because it will assist shareholders to close the book on worthless investments earlier.

An anomaly has been identified in the GST law in relation to residential property whereby certain services are GST free if the owner is overseas but subject to GST if the owner is in Australia. This anomaly will now be corrected. We expect this to make things a lot easier for real estate agents, who at the moment have to apportion the relevant supplies between local and overseas owners.

The next measure was proposed following representations from adoptive parents. This measure will allow adoptive parents to claim the baby bonus retrospectively for the period between taking care of the child and being granted legal responsibility so that they are effectively in the same position as non-adoptive parents.

The last measure in this bill removes unintended income tax consequences that can occur when a life insurer transfers some or all of its life insurance business to another life company. The taxable income of the life companies is taxed according to special rules, which can give inappropriate results in the case of the transfer of business. This measure responds to issues raised by the life insurance industry and will ensure that these rules are not a barrier to transfers of life insurance business between life insurance companies. Taken in all, this bill represents some fairly substantial improvements to the tax law. I commend the bill to the House and I thank all of those members who have contributed to this debate.

Bill read a second time.

Third Reading

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.40 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

REGISTER OF MEMBERS’ INTERESTS

Mr CIOBO (Moncrieff) (11.41 a.m.)—As required by resolutions of the House, I present a copy of the Register of Members’ Interests for the 41st Parliament, including notifications of alterations of interests to 8 February 2005. I ask leave of the House to present copies of notifications of alterations of interests received from 23 June 2004 to 30 August 2004. The House was dissolved on 31 August 2004.

Leave granted.

Mr CIOBO—I present copies of the notifications.
Ms BURKE (Chisholm) (11.41 a.m.)—On behalf of the Parliamentary Joint Committee on Corporations and Financial Services I present the committee’s report, incorporating a dissenting report, entitled Australian Accounting Standards tabled in compliance with the Corporations Act 2001 on 30 August and 16 November 2004, together with evidence received by the committee.

Ordered that the report be made a parliamentary paper.

SUPERANNUATION SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
AUTHORISED DEPOSIT-TAKING INSTITUTIONS SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
LIFE INSURANCE SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
GENERAL INSURANCE SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
RETIREMENT SAVINGS ACCOUNT PROVIDERS SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
AUTHORISED NON-OPERATING HOLDING COMPANIES SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2004
FINANCIAL INSTITUTIONS SUPERVISORY LEVIES COLLECTION AMENDMENT BILL 2004

Mr FITZGIBBON (Hunter) (11.42 a.m.)—I said during debate on the Tax Laws Amendment (2004 Measures No. 6) Bill 2004 that the opposition is always willing to be cooperative in response to serious and genuine attempts to improve Australia’s taxation law in the face of changing economic or social circumstances or indeed in response to genuine concerns raised by either individual taxpayers or those working in a small, medium or large business. That approach on the opposition’s part will apply equally to the Tax Laws Amendment (2004 Measures No. 7) Bill 2004, which has some 11 schedules. I can report that the opposition will be supporting each of those—in other words, all of the bill. However, I foreshadow in the first instance that the opposition does have some issues to raise with schedules 1 and 5 and that we will be seeking in the Senate to have those issues referred to a Senate committee for further inquiry.

Schedule 1 relates to the Prime Minister’s announcement during the election campaign that very small firms, mostly home based businesses, would receive in the future a 25 per cent tax offset. Schedule 5 relates to additional tax concessions to oil and gas companies seeking to find new resources in what are generally known as frontier areas.

Schedule 2 extends the simplified tax system by removing the requirements that taxpayers in the simplified tax system must use the STS accounting method, generally re-
ferred to as the cash accounting system. This is meritorious in that it eliminates the need for an entity to maintain two sets of accounts under different bases—that is, cash and accrual. Schedule 3 provides for rollover of income for shareholders in employee share schemes where there has been a merger or consolidation of the business entity. It allows taxpayers who have deferred income tax liability on a discount received on shares or rights required under an employee share scheme to roll over a taxing point that would otherwise occur because of the corporate restructure. This is a useful device to enhance labour market flexibility in the case of corporate mergers where such schemes exist.

Schedule 4 allows increases in fringe benefits tax exemption thresholds for long service and award benefits. This concession is an anomaly that exists from the introduction of the fringe benefits tax regime. As I indicated earlier, I will skip over schedule 5 at this point and come back to it later. Schedule 6 involves further finetuning of the consolidation regime. It ensures that certain liabilities taken into account when an entity leaves a consolidated group that correspond to liabilities brought into a consolidated group with a joining entity have the same value at the leaving time that the liabilities had at the joining time, which is perfectly reasonable. Without this measure there would potentially be more than one basis for calculating those liabilities. This schedule also ensures that there is no double reduction in cost base on consolidation where an entity joins a consolidated group by removing the requirement to reduce accrued undistributed profits to the extent that they have recouped particular sorts of losses.

Schedule 7 ensures that the rollover relief available for partnerships under the standard capital depreciation allowances regime is also available to depreciating assets allocated to the simplified tax system. Schedule 8 involves more technical corrections and amendments, which are more than worthy of support in this place. Schedule 9 involves minor amendments to the refundable film tax offset to allow companies to apply for the tax offset where unused provisional certificates in respect of certain film projects remain in force. This allows the companies which have applied for the special depreciation regime for domestic film production to also apply for the foreign film tax offset. Although Labor understands that this measure is likely to apply to very few, if any, taxpayers, Labor of course does not seek to oppose it.

I now return to the two issues I identified at the commencement of my contribution: those provisions under schedule 1 and schedule 5. Schedule 1 covers the entrepreneurial tax offset. I think this initiative has all the integrity you would expect from an initiative announced during the heat of an election campaign. Labor intend to support it. We believe that the government has a mandate to put this measure through the parliament. We hope that it is of some benefit to the very small end of the business community. I am not going to say a great deal about this because I note that the member for Watson, the shadow minister for small business, will be speaking to the bill as well, and I am sure that he will have lots to say about the likely effectiveness of the measure and the extent to which it is likely to assist those small businesses it is designed to assist. The measure basically provides a 25 per cent tax offset for all firms with an annual turnover of less than $75,000. It begins to cut out at an annual turnover of $50,000. I have made this same point in a number of debates in this place in the past: people need to have an appreciation of how small a turnover that really is. A firm with a turnover of $50,000, for example, is a firm earning a profit—if you are working on a profit of five per cent per annum—of about $2,500 a year, or $48 a
week. So we are dealing with a very small firm and a very unique part of the small business community—almost entirely firms we commonly know as micro firms. These are probably one-person firms. So these are very small units.

This raises a number of questions. Firstly, what is this offset really all about? My memory is that the Prime Minister announced this as a big boost for small businesses and an opportunity to allow them to innovate, prosper and grow. That is a little intriguing for me because all the academic work in this area shows that, generally speaking, small firms of that nature do not seek to grow. They always seek to become more profitable of course; that will always be the objective of any economic player. But these are typically people with home based businesses supplementing the family income with some activity at home. Often for these players the activity is more an interest than a source of income, but in other cases it is an important part of the family income. Some might argue that this provision is a recognition of the enthusiasm of those people and their commitment to add to the family income at the same time as fully committing to the requirements and obligations of home life—the kids, the other domestic duties or whatever might be the case. That might be a worthy objective, and we do not have any particular issue with that. But, if the Prime Minister’s major proposition is that this is designed to allow firms to innovate and grow, I suspect that the whole principle is badly founded.

I invite the Minister for Revenue and Assistant Treasurer, when he summarises the debate on the bill and responds to the opposition’s concerns on this matter, to share with the House the government’s view on these issues and make us more conscious and aware—and indeed, make the Australian community more aware—of what this measure is all about. Some $400 million a year of taxpayers’ money is not a cheap measure, and I think the taxpayer is entitled to be reassured that it will be well spent. So the minister needs to make it clear to us whether this initiative is to allow small firms to innovate and to grow or whether this is an initiative just like any other family assistance measure to help those households manage their family budget if they are partly reliant on some very small operation—maybe a home based one—to supplement their income. I think it is appropriate that the government clarifies those important points.

The other point I want to make about this initiative which I often make in this place is that this is yet another threshold for small firms to deal with, which always raises the spectre of compliance costs. But it goes to the very failure of this government to have a comprehensive small business policy. You cannot understand what is best for small firms if you do not know where they have been, what they are thinking and where they are going. Again, that is why the government’s decision to cut funding for the small business longitudinal study was so disappointing.

We have a plethora of these arbitrary thresholds—one for the simplified taxation system, one soon for unfair dismissals and, under the Corporations Law, we have the three-point test, and they just go on and on. Now we are going to have more thresholds, varying between $50,000 and $75,000. These are all additional compliance issues for small business, but even more importantly those thresholds are arbitrary and do not seem to be based on any clear academic and intellectual understanding of what small business are about, where they are going and what government policies are required to ensure that they are going in the right direction. And, if small business do not want to grow, the government should ensure that obstacles are not put in their way that cause them to go
backwards or, indeed, allow very small businesses to come to the conclusion that in an economic sense they are better off not doing it than doing it. I will leave those other important issues for the member for Watson to further canvass and explore.

The other issue I want to raise—and it is an issue we want further investigated by a Senate committee—is the integrity of this bill or, in other words, the potential for this initiative to be abused. In particular, we are concerned that there is a possibility that one entity may be capable of breaking itself into a number of entities which of course would then all fall under the threshold and be eligible for this assistance. The government, I am sure—and again I invite the minister to respond—will argue that the integrity measures in this initiative are those which are contained within the simplified tax system generally. But you have to remember that here we are dealing with yet another threshold—$1 million—and I am somewhat unsure about whether those guidelines on the $1 million turnover basis can be so easily fitted into another initiative which deals with firms with a turnover of $75,000 or less.

Given the haste of the announcement of this initiative, I do suspect there was not a lot of groundwork done prior to the event. The political contest in this country was a very real one at that particular point in time, and the government was desperate to roll out new measures. We now know that the government went on a multibillion dollar expenditure spree during that period, and I strongly suspect that this issue has not been thought through all that well. Leaving the principles of the initiative aside, the integrity issues have not been well thought through and we will be using the Senate committee process to ensure that this system is not open to abuse.

I also invite the minister, when he summarises the debate on the bill, to share with the House whether the government has given any consideration to the possible impact of some very high effective marginal tax rates coming into play as people go over that threshold and no longer have the offset that has been provided. That is more food for thought for the government, I would have thought. Again, I invite the minister to reassure the House that this initiative is the product of some very thoughtful policy consideration and that those integrity issues have been considered. In any case, those integrity issues will be referred to a Senate committee for consideration. Beyond that, the opposition does not plan to seek to frustrate the passage of the bill. We just want those questions answered, and we hope the government will see the referral of the bill to a Senate committee in the spirit in which it is intended.

The other schedule I wanted to return to is schedule 5—that is, the additional tax breaks for the oil and gas companies. Again, we are seeking to refer this bill to a Senate committee to test some of the environmental issues that arise as a consequence of this additional tax concession. The opposition is not seeking to oppose the measure per se but to test some of the environmental concerns that have been raised with us by various interest groups. But, again, we will be supporting the bill. We believe, having announced this measure in the budget of last year, that the government has a mandate to put the initiative forward, and we will not be attempting to frustrate it on the grounds of the principles that lay behind the initiative.

Having said that, when the initiative was announced in the budget last year I said that I do not believe one additional well will be sunk as a result of this tax break. This is an uplift in the concession provided under the resources rent tax for those seeking to find
more oil in what we know as ‘frontier’ areas—that is, previously unexplored areas. Any initiative to further encourage that exploration is important. The reality is that in this country we are facing an imported oil dependency crisis. We are consuming oil more than three times faster than we are finding it, we have been doing so for the last seven years and our import dependency is now reaching around 60 per cent. Given the importance of oil in the global economy, I think we in this place all have a very sound appreciation of the impact that a heavy dependence on imported oil can have on our economy.

It is important that the government constantly find measures to promote and encourage further exploration. Whether or not this additional tax break for the oil companies achieves that aim is something that is yet to be answered and proved. I will lay a little wager in this place right now that it will not make much difference. With very healthy prices, and given the fact that there is always a ready market for oil, the oil companies do not require any further incentive to explore for it. Sure, this will change the risk profile for exploration—I am happy to concede that point—but I cannot see any exploration taking place that would not have taken place in any case. On that basis, this is not $17 million spent all that well, in my view.

The opposition will not seek to stand in the way of this initiative. It was a budget announcement; there has been an election in the intervening period. On that basis, we believe the government has a mandate and we will be supporting the bill. But when it reaches the Senate, we will be putting some of the environmental concerns raised by us to some scrutiny by way of a Senate committee. Having said that, let me say that in general terms Labor supports the bill.

Mr FAWCETT (Wakefield) (12.00 p.m.) —I rise to address the Tax Laws Amendment (2004 Measures No. 7) Bill 2004 but I really wish to talk about people in my electorate. For example, there is a young man in Wakefield who has taken the initiative to get off seven years of welfare dependency by starting his own small business. Look at the way that measures in this bill—I am particularly looking at the 25 per cent tax offset—are going to help him to achieve that. I want to talk about the fact that this bill represents a reality of the Howard government’s policy of promoting an enterprise culture so that people do not just hear rhetoric but see real measures to help them to achieve goals that benefit the whole of our community.

Why is it important to support small business? National unemployment was 5.1 per cent in December last year, the lowest figure since December 1976. Some 175,000 jobs were created in the last six months, two-thirds of which were full time. Some 1½ million jobs have been created since this government came into office, nearly half of which are full time. How did that happen? ABS figures show us that there are over 1.1 million small businesses in Australia and that they are employing over 6.9 million people. Small businesses, with only one to four employees, represent the second largest group amongst those small businesses. The ABS stats show that these small businesses are actually responsible for some of the largest job growth rates in the country. They are a very crucial part of how people in this country find work and have opportunities to become employed.

This is particularly important to me as the member for Wakefield, because Wakefield is one of only four electorates in Australia that have unemployment of over 10 per cent. The city of Playford, which used to be in the old seat of Bonython but is now part of Wakefield, had over 17 per cent unemployment in
1996. Thankfully, that had reduced to 14 per cent by 2001, but that is still far too high. Of those people, a large group of the long-term unemployed or underemployed need additional training or opportunities—or even, in some cases, just the confidence and help to move into work. Small business is one of the best pathways for them to do that.

Who are we talking about when we talk about small business and the 1.1 million businesses around Australia employing 6.9 million Australians? In South Australia there are 72,000-odd small businesses. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real. In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.

The member for Hunter talked about home based business. He questioned the viability of that and whether it involved money well spent by the government. A lot of the growth in small business has been home based. About 42,500 of these, or 59 per cent, are located within the metropolitan area. By far the majority—66 per cent—employ between just one and four people. That accounts for over 18 per cent of the employment in the region. These businesses cover a whole range of things, from property to retail, health, community service, construction and manufacturing. Groups that are looking at small business and opportunities see that the potential for increasing employment opportunities within the small business sector is very real.

In the last six years, small business in the outer Adelaide area has grown by 37½ per cent. We are talking about real growth.
in just the last two weeks two small businesses have made the transition from being essentially hobbies based at home to being actual businesses that have turnovers of $40,000 and $51,000 respectively—returning to their operators a very modest $20,000 a year. For that to be sustainable for them and for a family there need to be incentives for them to continue running the business and making it work. Again, the 25 per cent tax offset will be very valuable.

Is it limited to just the people who want to do that either as an income supplement or to work for themselves? Again, I would have to say no. In the last year I can look at a number of small businesses that have been established by people who were employees and decided to become contractors and provide services through their small businesses. At least two of those have now not only taken on trainees but moved those trainees into apprenticeships. We have gone from a situation where people were employees to now starting their small business and taking on and training other people who are learning skills and moving out of the unemployed group. The incentive for them to take on those trainees is largely based on their anticipation of their profit margin and whether they can afford to invest that time in other people. For these small businesses this is a very viable and valuable contribution.

Are these small businesses or microbusinesses important? The answer is: yes. Their outcomes are full-time work and employment for other people. Importantly for Wakefield, their outcomes are also transitional opportunities. For many of the long-term unemployed there are considerable barriers to getting work—lack of ability, contacts within the work force or even confidence. There are a number of measures that are starting to give people opportunities to make this transition; small businesses and microbusiness play a large part in that. Do these businesses work and do they add value? The answer is: yes. But there is a ‘but’. I can give another example of a lady in Wakefield who decided to look for a way to balance her work and business. She started a small business selling postcards that advertised various companies in the local area. Over a period of time, that business has gone beyond the start-up phase and she now works with other people on design and printing. She is generating real business and employment in the community and at the same time is able to balance her work and family. But another lady, who is still in the start-up phase, has looked at starting a small business based on embroidery. The turnover is around $40,000 a year, but as they go through this phase they are losing around $1,000 a month. Viability for this lady’s business is very much on the line. She is working and actively looking to improve her business skills and other things, but the 25 per cent tax offset may well be the difference between the long-term viability of this small business, with the potential employment and growth that it may generate, and her going back to depending on government welfare.

The one-off support that this offset provides will give the potential to a lot of small businesses to have real outcomes for people in the electorate of Wakefield. I recognise that I have focused purely on the one measure in this speech. I think it is an important measure, because it is about having real outcomes for real people. It is helping microbusinesses and small businesses to develop jobs and to help people make that transition from welfare into the work force. The benefits of that flow on not only to the individual but also to their families and to the extended community. I strongly support the measures. I trust that, despite the delays of this going to a Senate committee, these benefits will reach people in the electorate of Wakefield sooner rather than later so that these business—
the woman with her embroidery and the young man with his delivery business—can see the real benefits of this government’s support for small business.

Mr BURKE (Watson) (12.11 p.m.)—As with the previous speaker, the member for Wakefield, I would like to focus quite specifically on the 25 per cent entrepreneurs’ tax offset, which is aimed fairly squarely at what are sometimes referred to as microbusinesses. Realistically, it is sometimes also focused on home based businesses simply because with turnover figures it is difficult, if you are not using your home as your premises, to keep within the limits set by this sort of legislation. These businesses are a critical group in the community. It is an area in which a number of us, me included, have been involved at different times. It is an area where there is growing concern about people who are running businesses from home and working in that fashion. Sometimes they are franchisees, as a lot of franchises are run that way now. Sometimes it is start ups that people have organised themselves. But whichever way they are working, these businesses are a group that is worthy of assistance—there is no argument about that from the opposition.

I do have concerns with the complexity of the system as it has been proposed. A lot of these home based businesses are people who do their own BAS. A lot of these home based businesses are people who do their own tax returns. The businesses are generally small enough in terms of the number of inputs and the amount of paperwork involved. Trying to avoid the expense of using an accountant does encourage people in these situations to complete their own paperwork. Generally, they are not employing anyone either, although sometimes they are and often they hope to in the future. But at the stage where the 25 per cent entrepreneurs’ tax offset is going to hit them, by and large, these people are not yet functioning as employers. We have to remember that the limits of $50,000 at the beginning of the phase out and $75,000 at the end are not profit figures but turnover figures. There will be some instances where employees are involved but more often than not we are talking about sole operators.

My concern with its complexity is that if you have gone from a situation where you did not need to use an accountant to a situation where you do need to use an accountant, how much monetary benefit will you receive relative to the cost of accessing the scheme and getting the advice you need to understand it? People might say, ‘What is the complexity?’ Let me start with diagram 1.1 of the explanatory memorandum. For all the complaints that we hear about BAS, and as I have conceded previously, the comments generally are that the BAS is not as bad as it was—hardly huge praise but it is an acknowledgement that it is not as bad as it was. That is a system where, to calculate the figure, you divide by 11. With all the complaints about the BAS complexity because of the different inputs and how you work through it, the mathematics of it ultimately come down to dividing by 11 to work out what the liability is going to be from the retail price.

So what do you have to do with this one? The first question is: is there any net STS income? If the answer is yes, it asks: does STS group turnover equal $75,000? If your answer to the first question is no, there is no offset available; if your answer to the second question is yes, there is no offset available. If your answer is yes to the first question and no to the second question, you then calculate the value of A, which is ‘basic income tax liability on total taxable income x 25%’. You then calculate the STS percentage, which is your net STS income share divided by your taxable income for the year with the result
multiplied by 100. You are then asked whether your STS group turnover equals $50,000. If the answer is yes, you multiply A by the STS percentage; if the answer is no, you calculate the STS phase-out fraction by subtracting the STS group turnover from $75,000 and then divide the result by $25,000. Having done that, if you went through the first path, where it was equal to $50,000—and you multiplied A by the STS percentage—then at that point you have the ‘entrepreneurs’ tax offset’. If you went through the other path, where you performed the fraction that divided by $25,000, you then finally multiply A by the STS percentage and by the STS phase-out fraction to get the entrepreneurs’ tax offset.

Mr Cadman—Mind numbing.

Mr BURKE—I have to say, take the number you first thought of and you could probably come up with a game to play with people with something like this. With the complexities and all the problems and subsequent amendments that this parliament has had to deal with over BAS, do we really think that people who previously were not using an accountant are going to be able to work their way through this formula without seeking formal professional advice? The chances are not great. And then how much money are they seeking at the other end?

The first example on the calculation of the offset that is given in the explanatory memorandum under ‘Sole trader with other non-business income’ is Jenny, a physiotherapist who is also working as a shop assistant. That is an interesting combination; I did not know a lot of shop assistants who were also working as physiotherapists when I was responsible for 3,000 of them locally. Notwithstanding that, I have no doubt Jenny exists. Jenny, one of the stand out examples, gets a tax offset of $1,074.51. The real offset is whatever the accountability fees are going to be in order to be able to claim the $1,074.51. In terms of the complexity, a lot of the benefits, a lot of the genuine targeting—which the opposition believes is important targeting—gets lost in the complexity of the process. Sure, if we were dealing with areas of business where people already have bookkeepers employed and have a day-to-day relationship with their accountants, a formula like that is not going to add any extra complexity to the process for them.

But you have to understand what home based business is like. You have to understand just how independent people running small home based businesses are. They make sure that at each stage of the development of their business, right through from distribution, be it a product or a service, through to handling and fielding their own phone calls, they run it on their own. To be able to get a tax benefit they will have to say, ‘We’re now going to engage an accountant.’ That is the practical impact of this; let’s not pretend otherwise. The practical impact if you want to be able to access this offset will be that you will be seeking professional advice from an accountant. For anyone who really understands home based businesses, that means that by and large a lot of them either will miss out on this altogether or, if they do get it, will largely see the benefits offset by accountants’ fees.

As I have said before, the opposition believes this is a worthy group to be assisting, but I really wish at the end of the day there was going to be some real financial assistance. It is difficult to see exactly how much assistance people will get when you weigh up the complexity of it, which is going to force them to see an accountant to then get a benefit in the vicinity of $1,000, roughly similar to what the accountant’s fee would be. People who understand how home based businesses run know that the independence of these people means that by and large they
do not use accountants. If they want to access this benefit, that level of independence has to be gone for many of them. I would exclude from that discussion the home based business run by an accountant. They would probably get off the hook. The rest would not.

The third issue I want to raise, having pointed to the complexity, is an important group worthy of assistance. I am referring to who misses out and which home based businesses the government has chosen to favour. I cannot for the life of me understand why it has ended up this way. Because the benefit is based on taxable income, the benefit that a microbusiness receives is based on its taxable income—based on a reference back to its profit. But eligibility for this system is based on turnover. Home based businesses with high input costs are put at a huge disadvantage when compared with home based businesses that are delivering a service. If you are a retired executive and you are doing a bit of consultancy here and there, and you have very few input costs, there will not be that much difference between your turnover figure and the profit figure on which your taxable income is based. Yet if you are running a home based business where you are selling products—for example, a franchise that sells goods through parties, such as Enjo; or one of the different Amway style businesses—then you have significant input costs.

That means that, with the same profit margins, those people are going to find themselves ineligible at a much earlier stage than people who have a service based home business. The franchisors to some extent help the franchisees in the examples I gave and do not demand that they pay the input costs until the time of sale. Many franchisors do a very good job for people running home based businesses that sell products. But I do not see why the people who are doing it themselves—those who are doing the embroidery et cetera, paying for the inputs up-front and carrying the costs of interest, be it on a credit card or whatever financial mechanism they use to carry the interest bill over that time—should be put at a disadvantage.

I do not understand for the life of me why the government has decided that, if you are a home based business with very few input costs, it will give you a much better tax advantage than if you are a home based business with high input costs. If, for example, you are using a mark-up of 50 per cent, you are going to find a situation where you only get a third of the way to the profit levels that somebody with no input costs is able to get to. Why is it that the person selling products ends up with a lower benefit? I would love to hear the policy justification for this, because when the Prime Minister during the election campaign raised this issue and talked about the importance of home based business he never mentioned for a minute that those home based businesses that were delivering services with low input costs were worth providing more assistance to than home based businesses with high input costs.

Why should somebody who is servicing a lawnmower, who is paying for the petrol for the lawnmower, paying for advertising costs and doing the letterboxing out there to try to make sure they get extra clients, find themselves, because the eligibility figures are based on turnover, becoming ineligible for the scheme earlier than the retired solicitor, retired accountant or retired senior executive who are simply providing their own wisdom with almost no input costs? I cannot see any justification in this. Certainly the Prime Minister when he announced this never made it clear that those groups were going to be favoured. He never made it clear that if you had high input costs—if you are actually doing it tougher—you would get a lower
benefit. That was never raised. Yet it does not take too much working through the formulae and the eligibility rules to realise that the moment your turnover hits $50,000 you start to move out of the scheme. It is not when your profit reaches a certain figure; it is when your turnover hits $50,000. I really want to hear from the government speakers why those groups with low input costs should be favoured.

Friends of mine and the different constituents I have met around the country in my role as shadow minister for small business have always talked about input costs as being a burden. I do not think it is too complicated to say, ‘Yes, a cost is going to be a burden.’ Yet the mere fact that you have that burden causes this government to say, ‘Well, that means you’ll be disqualified from the tax offset that little bit earlier.’ In fact, not that little bit earlier, depending on the extent of your input costs. If your input costs are high enough then you will miss out very early on. I cannot for the life of me see any justification for that. The Prime Minister never let us know that was coming, and comments about this legislation have seemed to suggest this was just about a blind helping of all these home based businesses, without acknowledging the critical prejudice in the way this formula has been calculated against those who are shouldering those extra costs.

If you are doing it through a franchise, sure, you have some benefit because you are not carrying an interest burden, but you are still disqualified early. It simply means that you have the financial benefit provided by your franchisor—that you are not having to pay the input costs until the time of sale. But home based businesses that are doing the entrepreneurial thing of absolutely starting from scratch never even get that luxury. So not only do they lose out on the turnover, the government takes no account whatsoever of the interest payments for the money that they are carrying against their ledger while they are waiting in the hope of a sale.

How did we end up with anomalies like this? How is it that for a group that we acknowledge is struggling with resources—theyir premises are their home, they are the receptionist and they are working on the other end of a mobile phone half the time—we ended up saying, ‘The way to help these people is something that is needlessly complex and provides less of a benefit for the people with higher input costs’? I think the answer to that is simple. Articles were run some time ago about how, in the lead-up to the election, the minister for small business at the time went to the Prime Minister referring to how many of these microbusinesses were now in existence and the growth of the sector. The thought was: we have to offer them something; we have to make sure that they know we are talking about them.

We are talking about them; that is good—I have no argument with that. I just wish the government understood the sector that they want to talk about. Firstly, they understood the sector, they would understand that complexity is a bigger cost the smaller the business is. Bigger businesses can deal with complexity far more easily. If the government understood home based businesses, they would understand the extent to which complexity is a huge cost and they would not be coming up with the diagrams, systems and formulae that I have just had to explain to the parliament. Secondly, if they understood the sector, they would understand the extra pain that home based businesses face if they have higher input costs and the government would have been looking to make allowances for the extra pain rather than saying, ‘That’s a reason for you to be disqualified earlier.’

I am pleased that the Senate is going to look at it further. The opposition is happy to
support it because the people who are getting a benefit are people who we do believe should receive a focus. What I do not understand is why, to get that benefit, it ends up being so needlessly complex, and I will never understand why the harder it is for you to make a dollar, and the more input costs you actually have to face, the earlier the government seeks to disqualify you from the system.

Mr CADMAN (Mitchell) (12.28 p.m.)—

The Tax Laws Amendment (2004 Measures No. 7) Bill 2004 before the House today includes a number of measures. The measure that has caught the attention of most speakers has been the first measure mentioned in the bill—the 25 per cent entrepreneurs' tax offset. We have changed the terminology here. 'Offsets' are what used to be referred to as 'rebates'. That change is regarded as simplification. I do not know why, but it seems that somebody, somewhere, changes a name and something that used to be referred to as 'rebates' becomes 'offsets' and therefore it is simpler. That small remark aside, the legislation contains a simplified tax system accounting method change; employee share schemes; FBT exemption thresholds for long service award benefits; petroleum exploration incentives; simplified tax rollover relief for depreciating assets; family trust elections and interposed entity elections; non-commercial loans; technical corrections, which are always there; amendments; and other minor amendments.

The measures that the House has dealt with in the greatest detail are the ones that apply to businesses with an income of under $50,000 a year, as measured under the simplified tax system, and some benefits for those which have an income of less than $75,000 a year. It takes a while to understand precisely what the government has done and to see how the benefit applies to small businesses, mainly sole proprietors, but it can apply to partnerships and companies as well, so there is a flexibility in the application of this legislation that I am pleased to see.

Usually the tax office tries to limit benefits to a certain category with a multiplicity of definitions, but this one is quite simple, really: you get the full benefit with a simplified tax system income under $50,000 and some benefit with a simplified tax system income of under $75,000, for partnerships, sole individuals or companies. So that is very clear and very easy. Of course, the benefit of a 25 per cent rebate applies to those companies or individuals whose income is earned through entrepreneurial effort. So, if there is a mixed income from a number of sources, the taxpayer needs to just separate that part which is earned by way of entrepreneurial activity. There are stacks of people out there who have a number of sources of income. They supply services and some of them supply goods. The Amway agent is a classic example. At night they may sell Amway products as an entrepreneur but have a regular job in the daytime. This applies to Amway or multi-tier marketing activities—whatever. I used Amway as an example but there are many out there. This provision applies only to that part of their income where they act as an entrepreneur.

There are people who supply services two or three days a week as a contractor and work two or three days a week in an employed position, and this provision applies to them as well. So it does not matter what form of income an individual may have; provided some part of it is from entrepreneurial effort, they are eligible to take advantage of the provision we are dealing with today. I think it is an enlightened approach and a good approach, but I think it is also capable of improvement. The step is certainly well in the right direction. At first I thought that the linkage of it to the simplified tax system was an impediment, because the take-up of the
simplified tax system for small business has been quite limited and that is a disappointment. I think there are so many rules regarding the simplified tax system, rather than this measure, that need to be looked at to help business owners and operators make a decision about going into the simplified tax system without seeking professional advice, because that step into the simplified tax system does require professional advice.

When the provisions of simplified tax for small businesses were first introduced, a matrix produced by Rami Brass, the tax partner for RSM Bird Cameron, appeared in a publication by Taxpayers Australia dated 18 February 2002. It showed an obvious disadvantage for a person on an accrual basis, because they were not included in the simplified tax system. However, that has been changed. One of the big disadvantages of the simplified tax system is that, if a person was an accrual taxpayer—and not many small businesses are—they were disadvantaged. Many of the provisions that were complained about by the previous speaker are wiped out by the rectification of this disadvantage for those who are on accrual accounting.

So the significant step forward in the simplified system of taxation is improved today by the measures that have been brought into the House, and, on top of the improvement to the simplified system of taxation, we have the advantage of allowing entrepreneurs a 25 per cent offset for any profits they make under the simplified system. I think that is a great advantage to taxpayers who are small. The only process they have to go through is whether or not they move to the simplified system, and I do not see why that should be a requirement in this legislation. Frankly, I do not see the disadvantages of just allowing people, provided they can demonstrate activities, to be part of the simplified system.

In the table that I previously described, the remaining disadvantages for a simplified tax system are for high values and depreciation assessment. For amounts over $1,000 they must be pooled and the various claims based at various levels. There is a disadvantage under the simplified system if the useful life of a product which is bought and used is fewer than five years, and that applies to a number of items. So the simplified tax system is a disadvantage for that depreciation process. There is also a disadvantage for assets acquired immediately after 1 July. Credit based businesses could have been disadvantaged on an accrual system, but that has now changed, so we have something that is of benefit.

Stocktaking under the simplified system is still a disadvantage, because entry to or exit from the simplified system can create a situation where two stocktakes are needed rather than one. I believe that is an area that still needs attention. But many of the major complaints about the simplified system as a system have been removed by this legislation. That is terrific. I like that. It is giving small business—home based businesses, sole proprietors, single operators—a better go, and that is very good. The only problem with entry into a simplified system is the requirement to take advantage of the 25 per cent offset. That is one remaining aspect where I feel those people who are taking the first step in going into business for themselves could be disadvantaged if they are not within the simplified tax system. I notice that, within the processes described in the paper I mentioned earlier, two examples are given within the cash accounting system, comparing a simplified tax system with a non-simplified tax system and showing where the impact of debtors and creditors and depreciation of various types can either advantage or disadvantage a small business. Making that decision is the pivotal thing, rather than access to
the 25 per cent offset. On 18 February 2002, the writer of that paper said:

... the STS—

the simplified tax system—

will result in some “winners”. However, a large proportion of what we call small business, may either not qualify to adopt the STS provisions or, not see any significant advantage in these concessions.

The fact of the matter is that, for many of them, it is a big thing to go along to an accountant and find out. The accountants I have spoken to generally say it is not worth the trouble of investigating as the advantages are so small. I think they are probably weighing up the cost of their fees against the advantages that may accrue to the individual taxpayer, so my plea is for some further simplification of access to that simplified system. Then we would be able to gain greater benefits. I notice that, in projecting the costs to the government, there is no projected cost to revenue in this financial year. I think there is $15 million in the following year, rising to about $125 million in a couple of years time—that is, if the provisions are taken up. So I join with some of those who have spoken about this issue, including the Treasurer himself, about the need for simplification of the total tax system.

I refer to the comments of a former Chief Justice of the High Court, Sir Harry Gibbs, which were reported recently in one of the major newspapers. In a statement on 26 January 2005, Sir Harry Gibbs said:

“The laws relating to income tax are a disgrace ... the legislation is already voluminous compared with our own earlier legislation and with other tax systems, and the volume increases from year to year ...”

He said that the tax law:

... gave excessive power to the tax office, and was an overreaction to the decisions by the High Court under Garfield Barwick in the 1970s.

However, he warned that reforming the Tax Act could not be left to Treasury and the Taxation Office.

I would endorse that. There needs to be wide consultation. As I have said previously, if we can spend less time doing taxation in Australia and we can get a better result than other countries, that is just as much a competitive factor in our balance of trade as any other factor, whether it be labour costs or anything else. Administrative costs are still costs that need to be reduced. We need to continue to work on those factors.

Taxation Institute Tax Director Michael Dirkis has said:

“The whole development of a principles approach has been done under a veil of secrecy ...

“The fact that it was not the subject of consultation is illustrative of how easily consultation can be avoided when a government or administration is so minded,” he said.

Mr Dirkis said there were risks in relying on broad principles and leaving the rest to regulation. The number of regulations could mushroom, and they were not subject to the same level of scrutiny as new legislation.

However, Mark Leibler, a tax lawyer who was honoured in this year’s Australia Day honours, said he favoured a return to legislation that sets out basic principles, so there is a conflict of views between Mark Leibler and the Taxation Institute.

What is the best way to go? The consultation factor is very significant and important. We currently have a process of unification of the tax advice being given. Tax advice from the tax office is in-principle, not so much individualised, advice, so it can be applied more readily across the board. That is a worthy and worthwhile improvement. However, the simplification issue is more in the area of the things that I have been speaking about today—a simplified system which allows the owners of a business to make a decision as to whether they should enter into a simplified
system or stick with the current rate that they are paying, the current system that they have adopted.

A lot is asked of these people in order for them to comply with taxation requirements. Under $50,000, of course, they do not have to submit a GST return, and they are absolved from many of the other provisions that businesses of over $50,000 have to comply with. That is a welcome process. However, none of these figures under the offset that we are looking at are indexed in any way. We have a system which applies to businesses of a certain type with a turnover of less than $1 million and assets of not more than $3 million. The provisions of the simplified tax system applying to this small group of individuals need to be looked at.

It is a very welcome provision. It is being downplayed, I believe, by the Australian Labor Party. The changes to the simplified tax system that are inherent in this bill are a definite improvement. But it needs to go further. I trust that, as we work towards simplification, successive changes can be made that will truly benefit the smaller entrepreneur so that they can be proud of their business and they will spend more time doing their business and less time on bookkeeping.

Mr MARTIN FERGUSON (Batman)
(12.45 p.m.)—In rising to speak on the Tax Laws Amendment (2004 Measures No. 7) Bill 2004, I intend to specifically address my remarks to schedule 5 of the bill, which is designed to promote oil exploration in Australia’s frontier deepwater areas. The shadow minister and member for Hunter, Joel Fitzgibbon, has indicated that the opposition will support this measure in recognition that Australia is becoming increasingly dependent on foreign oil to service its transport needs. The shadow minister and member for Hunter, Joel Fitzgibbon, has indicated that the opposition will support this measure in recognition that Australia is becoming increasingly dependent on foreign oil to service its transport needs. However, we contend that much more needs to be done to address Australia’s transport fuel security. It is estimated that our current oil reserves will only last for about 40 years, and it is generally believed that major new oil finds are unlikely, with Australia’s last frontier being deepwater areas that are expensive to explore and come with a very high risk profile.

In the seven years to 2002, Australia consumed oil three times faster than it was discovered. According to the CSIRO, Australia will import 50 per cent to 60 per cent of its crude oil requirements by 2010, which potentially will adversely affect our balance of trade by $7 billion to $8 billion a year. At the end of 2002 there were more than 10 million passenger cars, 1.8 million light commercial vehicles and 420,000 trucks on Australia’s roads, and they consume more than 32 billion litres of petrol and diesel every year. Those figures also indicate that there are major challenges to governments at the state, territory and federal levels in meeting our infrastructure requirements. Congestion is now a major cost to running a business, especially in our major capital cities. I remind the government that it is time it also reviewed its policy that opposes any involvement in the provision of public transport.

The Commonwealth government has to front up to the fact that its responsibility does not rest with the movement of freight alone. It also has to give consideration to how it can work in partnership with state and territory governments to make progress on improvements in public transport infrastructure. It is clearly part of the debate on energy and Australia’s future needs. Refined products made from crude oil make up more than 92 per cent of the transport fuel market in Australia; and gas based LPG, CNG and biofuels, less than 10 per cent. So it is not just about security of resource supply; it is also about alternatives. The government has to confront a debate on how it will work to improve access and security of public transport in Australia. For that reason, the opposition believes it is
essential that we as a nation—and it requires leadership at a government level—start taking steps now to reduce Australia’s dependence on imported crude oil and refined products.

LPG and CNG are mainly used in urban public transport fleets. Biofuel blends made from agricultural by-products are also being used in niche markets. These fuel options will remain important to diversify supply sources and reduce reliance on imported crude oil, but clean liquid transport fuels made from Australia’s abundant gas and coal reserves are the only option for large-scale domestic supply security in the foreseeable future. It is therefore worth noting that, while Australia is running out of crude oil, it has discovered more natural gas than it has produced over the last 20 years and there are well over 100 years of natural gas reserves remaining, based on today’s production rates. I also appreciate that Australia’s coal seam methane reserves are even larger than its remaining natural gas reserves. Today, 30 per cent of Queensland’s gas production is from this source. Clearly our coal reserves could provide energy security for centuries, and that is why the development of clean coal technologies, as well as renewables, is so important.

We all accept that no serious greenhouse policy response can ignore the need to clean up coal, nor can it ignore the need to increase the penetration of natural gas into the energy market. While increasing exports of liquefied natural gas can help our balance of trade, let us be frank: it will not make up for the growth in oil imports. The opening up of new markets for natural gas not only is critical to provide a large-scale alternative to crude oil reliance but is also critical to underpin the development of remote gas production, processing and pipeline infrastructure for future gas supply security.

The opposition suggests that more needs to be done to develop value-adding gas chemicals and gas-to-liquids industries and to expand domestic gas infrastructure to complement the LNG industry. Obviously Australia’s competitors in the global market are already moving in this direction, with plans now under consideration for the construction of further plants. Australia’s priority, therefore, is immediate. We as a nation must address declining crude oil and refined products self-sufficiency so as to unlock Australia’s vast stranded gas and coal resources for clean liquid transport fuels and, in the process, to create new domestic value-adding resource industries.

The further development of Australia’s natural gas resources, at a time when crude oil self-sufficiency is rapidly declining, is fundamental to nation building in Australia over the coming decades. We require leadership at a national level because we understand that the oil and gas industry is paramount to Australia’s energy and economic security. As we appreciate—and this is especially significant in regional Australia—it directly employs about 6,000 people, it is a significant contributor to the annual GDP and it is a central industry in the opposition’s vision for nation building in this country. In terms of exports the industry represents about $12 billion of crude oil, LNG and LPG, and replaces another $7 billion of products that would otherwise need to be imported. The tax contribution of the industry is therefore very significant and important to Australia in providing a reasonable return to the community from the production of community-owned petroleum resources.

The opposition have always wanted this industry to be healthy. It is part of our future and the key to the future economic growth of Australia. But we also want to see a big picture approach, an energy policy that addresses all the impediments to further devel-
opment of Australia’s petroleum resources, particularly gas. Those impediments have much more to do with global competition for capital, gas market constraints and skills shortages than with flaws in Australia’s regulatory regime.

On the issue of skills shortages, the government has to appreciate that it is no longer acceptable to just quote national figures which obviously relate to traineeships in industries such as the clerical, child care, hospitality and retail industries. Many key resource development projects in Australia are now being held back because of a lack of skilled Australians. We have gone backwards on trade training. We also have significant shortages of engineers and scientists associated with the development of the resource industry.

The challenge to the government is not just to get the tax regime right but also, where investors are prepared to make the plunge in developing resources in Australia, to guarantee access to infrastructure, that their exports can be facilitated and that, in partnership with the private sector, we can not only train Australians but also have the security of supply of trained personnel to assist in attracting investment and creating further jobs in Australia. The government has to stop playing politics on the trade front and do something to reduce the significant skills shortages in Australia. It is those skills shortages that will create inflationary pressure and an ideological debate about manpower and start fronting up to the real problems that confront Australia. It is not about whether or not a child-care worker should operate in a wage environment which is completely deregulated but, more importantly, if we are to attract further investment in Australia and to facilitate resource development, it is about guaranteeing a proper supply of skilled people—men and women who want to work in that industry and to receive a fair day’s pay for a fair day’s work. I raise these issues because they are central to this debate.

We also understand that the industry submits that incentives for deepwater exploration are needed and we are happy to support that as an opposition. But, as I have said, incentives are only part of the debate if we are to develop the resource sector in Australia. There are other requirements. I have correctly touched on some of those requirements today, which go to infrastructure: the requirement for government to lead on the infrastructure front and to do something about guaranteeing that we can supply the skilled personnel necessary to develop the industry in Australia. That is about the responsibility of government. It is also about mutual rights that come with responsibilities, best described as mutual obligation. We as a nation are the custodians of the people’s resources. We have an obligation to develop those resources so that the people who own them, the Australian community, get a fair shake for their exploration. It is the responsibility of both government and industry to work in partnership to make sure that we develop our resources sustainably so that future generations of Australians are not stranded without resources or left with resources that are too expensive for them to
develop and that we build the skills and technology base in our work force that we need for a globally competitive future. They all go together to achieve the necessary outcome. The opposition therefore also argues today for some stronger partnerships between government and industry.

Skills development is one of the critical areas to be addressed in this regard and I, for one, challenge industry to do more—particularly in trade skill development of Australian workers. As I have said, the industry is finding it difficult to attract future scientists and engineers to build Australia’s technology capacity. According to the Australian Petroleum Production and Exploration Association Ltd there are too few students graduating in relevant earth science areas, and the picture for engineering is not much better. We are going backwards on the skills front. Despite the fact that this industry is a critical building block of the nation’s economy, it is unfortunately seen by younger generations as ‘old economy’, ‘anti-environment’ and a ‘greenhouse problem’. We, as a nation, have to change that perception. Students capable of advanced science and engineering are opting for the ‘image’ industries alone. That is not acceptable for us in terms of where we go in the 21st century.

Both industry and government have a responsibility and a role to play in addressing these issues to ensure that Australia develops the skill and technology base in its human capital that it needs for a healthy economic future. Let us not forget that governments and the Australian people, not just the companies involved, played a big part in building this great industry in Australia and that we did it together, not one in isolation from the other.

It also reminds me of our obligation, in terms of where some of these resources are located, to do more on the Indigenous training and employment front. There are some good examples of companies such as CRA with their Indigenous employment and training programs. There are other examples where corporate Australia in the resource sector is letting us down as a nation in terms of Indigenous employment and training. The future development of the industry raises questions of mutual obligation. If it is good enough for Australian taxpayers to create incentives to encourage investment and exploration, then the mutual obligation requirements of big business go not only to environmental considerations but also to employment and training considerations for all Australians, including Indigenous Australians.

On that note I simply say in conclusion that the opposition will support schedule 5. We look forward to more initiatives from both government and industry to use these incentives not only to pursue exploration and resource development but also as the key to them accepting increased mutual responsibilities in terms of their requirement to address skills shortages and gas market issues that are impediments to the continuing health of the industry and Australia’s energy security. I commend the bill to the House and especially indicate the opposition’s support for schedule 5, which is very important to the resources sector and the future economic development of Australia.

Mr Kerr (Denison) (1.01 p.m.)—Like much tax legislation, these measures include parts which are worthy of support and other components that require us to express at least reservations about the motivation and consequences. I was very interested when I listened earlier in the House to hear the member for Mitchell speak of the legislation in the context of what he described as the ‘simplified system of taxation’. Having done so, he then also referred to recent criticism of the tax system by former Chief Justice
Gibbs, who described the present system of tax as ‘a disgrace’.

The truth is that our tax system is far from simplified. Anybody who would make that case would simply get a horse laugh from members of the public. Our tax system has become dense, complex, a feeding ground for those who provide professional advice and a source of puzzlement, trouble and concern for those who seek to do their own returns. We have a complex and convoluted tax system which is a product of a number of historical consequences. Firstly, there is the way in which the legislation was established. Secondly, there is the disgraceful way in which the High Court under Chief Justice Barwick facilitated and permitted the expansion of tax rorts during a period when the High Court adopted a strictly literalist approach—now thankfully behind us. Thirdly, successive governments recognised that you could not have a tax system operate effectively if those with resources could simply drive a truck through it, so there have been successive attempts to curtail abuse, leading to additional complexity. And then, overlaying all of that, there have been changes which introduce a whole range of benefits, exceptions and special rebates, and its intersection with the social security legislation—child support and the like—such that in the end we have a piece of legislation which defies the capacity of lawyers to understand it, let alone the ordinary citizen.

Like shying away from pain, governments have declined to take up successive invitations to undertake fundamental reform to the tax system. A number of major reports to government have suggested substantial and wide-ranging reform to the tax system. No government has adopted it. The Howard government particularly has run away from it despite, when it came into office, commissioning major reports which recommended fundamental rewriting of the tax act and despite successive reports which have looked at issues such as the abuses that still exist in the area of taxation of trusts which give quite unjustifiable advantage to those who set up their tax affairs so they can transfer money from personal income through the trust vehicle in such a way as to distribute the earnings and not pay what they ought as individual citizens.

Few of us in this parliament enjoy the payment of tax, but it is one of those fundamental bedrocks of a civilised society that is necessary for the operation of a community functioning well. If we accept that it is necessary to have a taxation system—and I think we all do—then it is equally important that we have the tax system which is not capable of abuse, which is fair, which treats like alike and which is not so convoluted and complex as to defy the ordinary citizen and to make them sceptical of the fact that many are avoiding their tax liability.

In the Tax Laws Amendment (2004 Measures No. 7) Bill 2004 specifically, there are a number of measures which are superficially attractive—and one can understand why they have been put forward—but I believe we should be flagging warning lights about the direction this legislation is taking. In debating this matter within our own party, we acknowledged that the government went to the last election with a commitment to establishing a rebate, a tax offset for entrepreneurs, targeted at small businesses, microbusinesses or home based businesses. This effectively means that businesses with a turnover of less than $50,000 will get a 25 per cent discount on their tax; at $75,000, the discount cuts out entirely. Having gone to the election with that commitment, the government, in the normal democratic process, has a mandate to introduce it, it will introduce it and it would be wrong for us to oppose it. Naturally, those who are going to benefit from it will welcome it. It has substantial costs to revenue,
which run into the hundreds of millions of dollars.

There are substantial questions which I believe the public needs to examine before we go further down this track. Firstly, we need to examine the mechanism to make sure that persons cannot abuse this new tax offset—in the same way that they can abuse trusts—by splitting their effective taxable income into small lots to create artificial entities, each with a turnover of less than $50,000, thereby reducing to negligible amounts the tax that would have been payable on a substantial taxable income. Partnerships are one device that can be used. Trusts and other mechanisms are ways in which business entities can be structured in such a way that streams of income can be diverted into a number of different organisational components. If each of those components is reporting a turnover in the order of $50,000, these offsets come in and we have another opportunity for abuse. I think that needs to be examined when this legislation comes to the Senate to minimise, if not eliminate, that possibility.

The second point I want to make is a more general one: low-income earning Australians will not be treated alike. A person whose income is derived from wages and salaries who earns, say, $30,000—and many Australians still earn incomes in that order—will be paying tax at a rate 25 per cent greater than the rate paid by a small business person who earns an effective taxable income that is substantially higher. Surely that cannot be right. It strikes me also that there may be a hidden agenda here. We will not only have an equity problem, in the sense that the income in people’s pockets prior to tax will have different taxable outcomes, but we will also have also a system which will encourage people to shift from the employed sector to the self-employed sector. Already the government has pursued an industrial relations agenda which is manifestly designed to encourage those who effectively provide their services for wages not to call themselves employees but to structure themselves as individual contractors. There are already manifold advantages in that in relation to tax and the way in which the government has pursued its industrial relations agenda. How much greater will the advantage be when, by the simple device of restructuring into self-employment or contract employment what is essentially the provision of direct services by way of labour, you get a rebate of 25 per cent of your tax?

I think this is something that those who are concerned about equity and industrial relations ought to consider. Whilst we on the Labor side of the parliament accept that there is a mandate for this legislation—and whilst many microbusinesses that have turnovers between $50,000 and $70,000 will welcome it, as I would if I were in that position—we do not want to create artifices that further encourage people who are truly employees to forgo all the privileges and benefits that ought to go with the employment relationship, such as workers compensation, leave, minimum award requirements and the like, in order to falsely call themselves individual contractors so that they can effectively get a 25 per cent reduction in tax.

The Miscellaneous Workers Union has spent a long time trying to provide at least a reasonable set of employment standards for cleaners and those who provide services to the community in a whole range of what we might call service industries. Those people will be encouraged by economic advantage to call themselves individual contractors and forgo the safety nets that are built into the employment relationship so that they can take a few more dollars home after tax. This adds to the pressure to de-unionise and to get away from a system which ought to be in place to ensure that we have at least some minimum standards for the provision of
wages, safety requirements, workers compensation, leave and the other matters which have been the subject of negotiation and arbitration over the years which extend to people in the employment relationship. Already we have a growing trend of devices being used so that people who provide services akin to employment are defining themselves—or are being defined by legal structures—as individual contractors, although in practice they are providing exactly the same service and are subject to the same controls as people who receive wages as employees. I firmly believe that this is part of an ulterior motive in this legislation to further encourage that trend.

On equity grounds, there ought not to be a situation where people who are at the lower end of the income scale receive differential tax treatment on the basis of whether they are employees or are self-employed. We cannot have a situation like the one in Animal Farm where it was ‘four legs good, two legs bad’. We cannot have a situation where we say: ‘Employees bad, self-employed good. We will treat you differently in relation to your tax obligations even though you gain the same net income.’ I cannot see how this government will explain itself to a wage earner who receives a low income and who is trying to pay for family necessities and family obligations. The government will be saying to that person: ‘Because you are a wage earner—because you are employed as a cleaner in a school, or something of the kind, by an education department—and your pay at the end of the year is $30,000, your tax will be 25 per cent higher than a person receiving exactly the same amount of money and providing the same cleaning service to a corporation but who calls themself a contractor.’ So there are equity issues.

All this bolt-on complication in the law is now on top of what Sir Harry Gibbs has properly called a disgrace in terms of its complexity. I disagree with Sir Harry Gibbs’s analysis of what needs to be done to clean up the disgrace, but the starting point analysis is absolutely right: we have a tax system that quite properly can be called disgraceful. Those in this parliament who still attempt to do their own tax returns—and I am one of them—find it a much more complex process than it ever has been. The documentation that is supplied through the tax office becomes ever more voluminous. I am now reaching a point where, despite my enthusiasm to continue to be able to act straightforwardly and do my own tax returns, like many millions of Australians I am going to throw my hands up in despair and say, ‘This is all getting too much; the only way it can be done is to go to a professional.’ Those professionals say that they do not understand the legislation but they have a much closer familiarity with what the tax office will understand and accept. If you read about the tax laws you will find that, when issues are litigated, judges often say that they do not understand the system effectively anymore. The system is dense, complex and difficult to understand. So we are reaching a situation which you can only describe as a disgrace and far too complex.

We need to do something intelligent. The government has said that it is going to look at tax law simplification. I am always wary when I hear those words. Every time we have heard ‘simplification’ mentioned in relation to tax law the tax legislation has got longer, denser and more complex rather than shorter, more straightforward and easier to comprehend. Let us hope that on this occasion there is some reason to be optimistic that there will be a serious examination of these matters. Let us also hope that we do not increase the inequities by having situations where people with equal earning capacities are treated and taxed unequally. Let us not have a situation where people can de-
vise mechanisms to avoid their liabilities, as they have in the past and they continue to be able to do through the use of trusts, notwithstanding the fact that the government has received several reports that have recommended structural reform to reduce the capacity of people to abuse the trust system. I hope that what is being spoken of is put forward with some genuine intent, but I remain sceptical. Notwithstanding that the government has a mandate in relation to these matters, I think we are building further inequities into our tax laws rather than improving the system.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (1.21 p.m.)—in reply—The government is again recognising the importance of the small business sector by introducing a number of measures in the Tax Laws Amendment (2004 Measures No. 7) Bill 2004 which have been designed to simplify taxation for small business and to improve impetus to further small-business growth. In addition, the bill continues the government’s program of modifications and improvements to the tax laws that will benefit the taxpaying community as a whole. This bill introduces the new entrepreneurs’ tax offset, which provides an incentive for the growth of very small, micro and home based businesses. Broadly, small businesses in the simplified tax system that have an annual turnover of $50,000 or less will be eligible for a full 25 per cent tax offset on the income tax liability attributed to their business income. The tax offset will then phase out for an annual turnover of between $50,001 and $75,000.

During the course of the debate there have been a number of questions raised by those opposite, which I will endeavour to answer, and also some considerable criticism. I would simply point out to those opposite that, during the election campaign last year, there were two policies proposed for this group of businesspeople. There was the coalition offering tax relief and there was nothing of a positive nature being offered by those that sit opposite. There was no tax relief being offered by the Labor Party, and I guess I should remind those opposite of their newly elected leader and his comments to 6PR in Perth some time ago: ‘Labor has never pretended to be a small business party,’ I guess the Labor Party showed that at the last election.

Unfortunately, many of the comments made by the member for Watson, who is the opposition’s spokesman on small business in this place, were not helpful to the small business community whatsoever. He came into this place and pointed out that there were some that were going to miss out on this initiative. I would point out to the member for Watson and all those that sit opposite that under the Labor policy every small business would have missed out, had Labor taken over the government benches, because no-one was included in the Labor policy.

A particular issue raised by the shadow Assistant Treasurer was in relation to innovation and growth. I would simply say to the member for Hunter that allowing these small businesses in their micro phases to be able to hang on to more of their income gives them capital and greater incentive to be innovative and, therefore, to be able to grow and to build their businesses.

Mr Fitzgibbon interjecting—

Mr BROUGH—Am I hearing the shadow minister correctly? He said they do not want to grow. I find it an extraordinary proposition that business does not want to grow, because, quite frankly, businesses that do not grow stagnate and ultimately can go backwards. It is extraordinary that my opposite number in the Labor Party would suggest that small business does not want to grow. The coalition believes in small business, in
innovation and in incentive and will give that incentive and innovation to small business to allow them to fulfil their ambitions to grow and ultimately become employers in their own right and to become larger businesses. I can assure the small business community that this government will do what it can to reduce their tax burden. I do not believe there is one business out there, small or large, that would not welcome that or, hence, this measure.

There were also questions raised by a number of those opposite about the integrity measure. I would simply put it to you that there are no integrity issues in relation to this bill where larger businesses can split their income up in some sort of perverse way to reduce their tax. Eligibility for the entrepreneurs’ tax offset is subject to grouping rules designed to ensure that larger businesses cannot gain access to the tax offset by restructuring and subdividing their activities. So that should waylay their concerns there. The grouping rules essentially operate to include the turnover of other entities controlled by the taxpayer in calculating the taxpayer’s eligibility for the offset. These grouping rules are the same rules that have successfully applied since 2001 to prevent larger businesses from subdividing in order to meet the conditions for entering the simplified tax system.

The government has also introduced amendments that remove the current requirement for small businesses to use a cash basis of accounting in order to be eligible to enter the simplified tax system. The new provisions will effectively extend the significant benefits of the simplified tax system to a broader range of small businesses by enabling businesses to utilise the most appropriate method of determining taxable income. Further changes will also be made to ensure that all rollover relief available for partnerships under the uniform capital allowance regime is also available in relation to deprecating assets allocated to simplified tax system pools.

The bill contains amendments that will ease compliance costs for small business in relation to non-commercial loans from private companies and also correct a technical deficiency in the tax law to ensure that the rules in relation to loans from trustees apply as intended. Many operators of private companies only see their financial advisers in the lead-up to preparing their annual tax returns. This makes it difficult to identify loans that come under the current non-commercial loan rules. The government has responded to these concerns by introducing amendments to provide more time for a shareholder to repay a loan from a private company or to put such a loan on a commercial footing in order to avoid the loan being deemed to be a dividend. I have also circulated amendments to this measure that propose to bring forward the application date, which will ensure that private companies will be able to utilise the benefits of these changes from the 2004-05 income year.

Another important measure in this bill provides greater flexibility, reduced compliance costs and ongoing certainty surrounding family trust elections and interposed entity elections. These changes will generally allow entities to make either of these elections at any time in relation to an earlier income year. This bill introduces an offshore petroleum exploration incentive by allowing an immediate uplift for petroleum exploration expenditure in designated offshore frontier areas. As petroleum exploration in these remote frontier areas is often a high-cost and high-risk undertaking, this incentive is designed to encourage petroleum companies to explore in Australia’s remote offshore areas, thus increasing the probability of discovering a new petroleum province in Australia’s offshore waters. The petroleum industry has
welcomed the introduction of this incentive, as has the member for Leichhardt, who is here at the table at present.

There have been a number of comments on this issue by those that sit opposite which I will endeavour to address. It has been pointed out in my absence, I believe by the member for Hunter, that the oil price is already quite high and that therefore this exploration will take place anyway. This, in fact, is an incorrect assumption because, without further discoveries, Australian oil production is expected to decline by 40 to 50 per cent by the end of this decade.

The low commercial success rate in Australia—I am advised it is around six per cent—and the perception of Australia as gas prone has led to a reluctance to explore in Australian frontier areas. Exploration for oil elsewhere, such as in Africa and North America, is what has occurred. There is a need to do something to explore the relative expected returns that companies can have from exploration here in Australia. High oil prices do not do this. There has to be an improvement in the tax regime in these frontier areas to ensure that people feel that it is worth the money they have to spend in the exploration.

The member for Batman, in his contribution to this place on the bill, pointed to the big picture. He queried the government’s commitment to a big picture, not just to one aspect. He was covering not just taxation but infrastructure and other issues. I remind the member for Batman and all members in this House that the government has taken a very big picture approach to energy policy as a whole. Last July the Prime Minister announced the government’s energy future white paper, which provides a comprehensive approach to energy. It addresses resource development, energy security, energy markets, transport, fuels, environmental issues, technological developments and fiscal issues. The government is not only looking at this issue in isolation but looking at it as part of a wider policy initiative for this nation’s ongoing energy needs.

This bill will allow tax concessions currently available to employee share scheme holders to extend beyond a corporate restructuring in certain instances. This further supports the development of employee share schemes and further aligns employer and employee interests. The amendments in the legislation will allow taxpayers who have deferred their income tax liability on a discount received on shares or rights acquired under an employee share scheme to roll over a taxing point that would otherwise occur because of a corporate restructuring.

The refundable film tax offset provisions will be amended to allow a revocation of certain provisional 10BA certificates that remain unused to allow certain film projects attracting the attention of large investors to apply for a refundable film tax offset. These projects can only revoke their provisional 10BA certificates in order to apply for the offset where the certificate is not being used to gain a tax deduction. The bill will double the current fringe benefits tax exemption thresholds for long service award benefits. The exemption thresholds will be increased from $500 to $1,000 for 15 years’ service and from $50 to $100 for each additional year of service thereafter.

As a result of the government’s extensive consultation arrangements with the business community and the tax profession, amendments in this bill will implement further refinements to the consolidation regime. These measures will ensure that the consolidation regime applies appropriately with respect to bad debts that they have had in connection with a consolidated group. The bill will make minor technical changes to the cost-setting
rules with respect to undistributed profits and liabilities on exit and will clarify the taxation consequences for life insurance and general insurance companies that join or leave a consolidated group.

The bill will also make a number of technical corrections and amendments to several taxation laws. While not implementing any new policies, these corrections and amendments are an important part of the government’s commitment to improving the taxation laws. Again, I thank all members for their contribution to the bill and I commend the legislation to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation for the bill and proposed amendment announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (1.33 p.m.)—I present a supplementary explanatory memorandum to the bill. As I flagged in my earlier contribution, we propose an amendment to give further benefit to a provision regarding non-commercial loans. This amendment will bring forward the application date of the changes to the non-commercial loan rules. This will ensure that from the 2004-05 income year, private companies will have extended time to have a loan repaid to the company or to put a loan on a commercial footing. The change to the treatment of loans from private companies was announced in the 2004-05 budget. I move the government amendment as circulated:

(1) Schedule 9, item 13, page 76 (lines 16 and 17), omit all the words from and including “years” to the end of the item, substitute “the 2004-2005 year of income or a later year of income.”.

Mr FITZGIBBON (Hunter) (1.34 p.m.)—In the interests of giving the member for Perth a free run on the next very important bill to be debated until question time, I will be very brief. Also, on this occasion I will ignore the usual provocative approach to the summation by the Minister for Revenue and Assistant Treasurer. I want to say two things. Firstly, the bemused look on the minister’s face, when responding to my suggestion that some very small firms do not wish to grow, shows a total ignorance on his part of the small business sector. There is a lot of academic work which will support that proposition. Let there be no mistake about that.

Secondly, Labor supports the amendment moved by the minister. I will interpret his contribution for the chamber. This amendment to address what is commonly known as a stuff-up highlights the complexities of these tax amendments and vindicates Labor’s very sensible approach to insist on full briefings from the department—something we were denied with respect to the Tax Laws Amendment (2004 Measures No. 7) Bill 2004—when these sorts of measures come forward. Also, and even more importantly, has been our refusal to have the tax bills lumped on us in one day with an expectation that we would have them passed in both chambers by the next day or the day thereafter. We were vindicated earlier in the week in that regard when we were addressing non-reviewable long-term contracts and the application of the GST to them. We had found it necessary in the intervening period—that is, Christmas—to move amendments, which were eventually accepted by the government. The fact that the government has had to come in here today and move an amendment to its own bill again vindicates our stand. We will not be ridden roughshod over in this place on these taxation measures which are so important to the Australian economy and to Australian taxpayers.
Thursday, 10 February 2005  HOUSE OF REPRESENTATIVES  61

Question agreed to.
Bill, as amended, agreed to.

Third Reading

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer)
(1.37 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

BANKRUPTCY AND FAMILY LAW
LEGISLATION AMENDMENT BILL 2005

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.

WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL REFORM) BILL 2004

Second Reading
Debate resumed from 2 December 2004, on motion by Mr Andrews:

That this bill be now read a second time.

Mr STEPHEN SMITH (Perth)
(1.38 p.m.)—Labor oppose the Workplace Relations Amendment (Fair Dismissal Reform) Bill 2004. The substance and basis of our opposition is reflected in a second reading amendment which I will formally move at the conclusion of my remarks. That second reading amendment is as follows:

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:

(1) confirms that the protection from being unfairly dismissed is a fundamental issue for Australian workers and their families irrespective of the size of the business in which they are employed; and

(2) calls on the Government to work with small business, employees and peak bodies to make unfair dismissal laws more effective by addressing procedural complexities and costs”.

This is a bill which has become something of a crusade for the government. The fact that it is central to their industrial relations agenda is reflected in the fact that it was the first bill that they started talking about when it became clear that they would gain control of the Senate come 1 July this year.

It is a bill that has been introduced into the House on six previous occasions. This is now the seventh time. The government has got itself into the habit of quoting a larger figure. It is true that, if you add up all the procedural and other votes over the years, you come up with a much bigger number. Because the methodology is imprecise, the figure for how many times the proposal has come before either the House or the Senate has a fair amount of rubber in it, but we are reassured constantly by the government that it is somewhere in the low 40s. So, if it is somewhere in the low 40s, let us start with this simple question: why has the Senate, comprising various senators from the Australian Labor Party, the Australian Democrats, the Australian Greens and, in some respects more importantly, numerous Independent senators, rejected the measures in this bill time and time again? I think it is because of one essential fact: what this bill proposes is essentially unfair.

Our starting point is that no-one deserves to be sacked unfairly, and that is the heart and soul of the bill—allowing some people to be sacked unfairly. No-one deserves to be sacked unfairly, and no-one deserves to be sacked arbitrarily. No-one deserves to be sacked on a false premise or without foundation. This bill is unfair because it withdraws the protection of the law from employees based purely on the size of the enterprise in
which they work. It is something that Labor cannot and will not support. It should not matter whether someone is the 19th or the 21st employee in a business. That should not be the essential fact or reason which with- draws someone’s rights. Everyone has a right to be treated fairly at work—and never more so than in decisions about the termination of that employment. For most Australians, with the exception of a small number of Australians who are extremely well off, a person’s job is their livelihood. If you lose your job, you lose your livelihood. So it is a very important issue for those many hundreds of thousands of Australians who work in small businesses.

The bill provides that employees of small businesses may be dismissed in circumstances which a court would find to be unfair but leaves them with no remedy, no rights and no redress. The provisions relating to unfair dismissal in the Workplace Relations Act are founded on the principle that em- ployees and employers deserve a ‘fair go all round’. So central is that principle that it has been written directly into the act itself. In the objects provisions of the division that deals with termination of employment, the act says that the unfair dismissal rules and proce- dures:

... are intended to ensure that, in the consideration of an application in respect of termination of employment, a ‘fair go all round’ is accorded to both the employer and the employee concerned.

There cannot be even a pretence by this government that the bill that they have introduced provides employees of small busi- nesses with a fair go all round. It simply re- moves any right that employees have not to be dismissed unfairly, and it removes that right simply on the basis of their being the 21st employee rather than the 19th. I am not alone in making such a criticism. Late last year the Catholic Bishop of Parramatta, Bishop Kevin Manning, said:

... governments are also considering calls for more lenient unfair dismissal regulations for small enterprises. I can’t imagine Justice Higgins entertaining the idea that a worker’s right not to be unfairly dismissed depends on the size of the enterprise for which they work.

I think Bishop Manning is absolutely right.

The simple fact is that this bill, whether as one element of a broader legislative package or introduced as a bill in its own right, has never enjoyed the support of the Senate at any point since the government was first elected in 1996. This is precisely the same bill that the government has previously in- troduced on a number of occasions. As I have said on a number of occasions since this parliament began, if it was the same bill, the government could expect the same out- come—same bill, same outcome. A lot of the government’s rhetoric which pertains to this piece of legislation goes to the claims it makes in respect of employment generation that would occur as a result of the successful adoption of its measure. There has been con- siderable criticism about the lack of evidence that such an unfair exemption as the gov- ernment proposes would lead to employment growth in small business.

The first figure to gain some currency in this debate was the figure of 50,000 new jobs which the former chair of the Council of Small Business Associations of Australia, Mr Rob Bastian, volunteered when he was asked by a journalist how many jobs the passage of the governments unfair dismissal exemption for small business might create. Ever since then the government has struggled to justify, defend or explain the basis for the assertion that the existence of unfair dismissal laws comes at a cost to jobs in the small business sector or that the passage of its bill would create 50,000, 60,000 or 70,000 jobs. When the minister introduced this bill on this occa- sion he referred to a study released by the Melbourne Institute in 2002 to support the
claim that passage of the bill would create 77,000 jobs.

The Melbourne Institute report was commissioned by the government in an attempt to address weaknesses in its arguments for a small business exemption. In preparing its report, the Melbourne Institute surveyed 1,800 businesses with fewer than 200 employees—not businesses with fewer than 20 employees, which is how this bill defines a small business, unlike the government’s definition of small business in taxation legislation for GST or capital gains purposes. So it was not a survey in respect of businesses with 20 employees but of businesses with fewer than 200 employees.

The Melbourne Institute asked employers about the extent to which unfair dismissal laws affected their employment practice and their costs. There was no distinction made in the survey between unfair dismissal—that is, dismissal which is harsh, unjust or unreasonable, and which the government seeks to exempt businesses from which employ 20 or fewer employees—and unlawful dismissal—that is, dismissal on the basis of sex, race, disability, pregnancy and so on, which the government does not propose to exempt small businesses from. Nor did the survey draw any distinction between federal unfair dismissal laws and state unfair dismissal laws.

Like many other surveys which the government has relied on to make its case that the repeal of unfair dismissal laws would lead to employment growth, the survey contained a number of leading questions which simply assumed the existence of unfair dismissal laws as a problem. The way in which the Melbourne Institute comes up with the figure of 77,000 is in itself quite remarkable. The figure was arrived at on the basis of qualitative ratings of the significance of the existence of unfair dismissal laws by businesses which previously had some employees but currently had none. In reaching its conclusion that unfair dismissal laws accounted for the loss of 77,000 jobs the Melbourne Institute said:

Firms that previously had employees, but currently do not have employees, were asked what was the maximum number of people they had employed.

Factoring this up to the population as a whole resulted in the conclusion that there were 77,482 job losses in which unfair dismissal laws played a part. Of these there were 34,812 job losses in which unfair dismissal laws played a major role, 17,100 job losses where unfair dismissal laws played a moderate role and 25,572 job losses where the laws played a minor role. It is a conclusion that is breathtaking in its lack of logic. That is the basis for the figure of 77,000 jobs that the government promotes as the inevitable consequence of the passage of this bill through the parliament. To say that that conclusion is tenuous would be to give it too much credit. So absurd is that proposition that few people would give it the time of day if the government had not repeated the claim on so many occasions.

There was, for example, no recognition by the Melbourne Institute in reaching its conclusion that other factors may have been determinative or of greater significance than the existence of unfair dismissal laws. Other factors such as the state of the business, the profitability of the business, taxation considerations and general economic conditions are often cited by small business operators as significant in the hiring and firing decisions that they make. It is not surprising that commentators who have turned their minds to the Melbourne Institute study, including Dr Paul Oslington of the University of New South Wales, have observed that the study—in the words of Dr Oslington—was ‘not taken terribly seriously’ in academic circles. Professor
Andrew Stewart has described the figure as ‘an estimate based on a series of estimates’ and a ‘curious exercise providing a weak foundation’ for the government’s claim that passage of the bill would lead to employment growth in the small business sector.

It is partly for this analysis and this reason that Labor supported a motion by the Australian Democrats to refer the issue of unfair dismissal to the Senate Employment, Workplace Relations and Education References Committee for consideration and report in the first half of this year. It is worth referring to the terms of reference of that committee. They are:

(a) to examine:

(i) the international experience concerning:

(A) unfair dismissal laws, and

(B) the relationship between unfair dismissal laws and employment growth in the small business sector;

(ii) the provisions of federal and state unfair dismissal laws and the extent to which they adversely impact on small businesses, including:

(A) the number of applications against small businesses in each year since 1 July 1995 under federal and state unfair dismissal laws, and

(B) the total number of businesses, small businesses and employees that are subject to federal and state unfair dismissal laws,

(iii) evidence cited by the Government that exempting small business from federal unfair dismissal laws will create 77 000 jobs in Australia (or any other figure previously cited),

(iv) the relationship, if any, between previous changes to Australian unfair dismissal laws and employment growth in Australia,

(v) the extent to which previously reported small business concerns with unfair dismissal laws related to survey questions which were misleading, incomplete or inaccurate,

(vi) the extent to which small businesses rate concerns with unfair dismissal laws against concerns on other matters that impact negatively on successfully managing a small business, and

(vii) the extent to which small businesses are provided with current, reliable and easily accessible information and advice on federal and state unfair dismissal laws ...

The terms of reference then to go on to refer to the need:

(b) to recommend policies, procedures and mechanisms that could be established to reduce the perceived negative impacts that unfair dismissal laws may have on employers, without adversely affecting the rights of employees.

This is a separate subject that I will come to shortly. The terms of reference continue:

(2) That the committee be authorised, with the approval of the President, to commission independent research, as desirable or necessary, to investigate each of these terms of reference.

I would certainly hope that Dr Oslington and Professor Stewart turn up and give a serious academic analysis of the bodgie survey and the bodgie claims of the government in this particular area.

That proposed inquiry will, amongst other things, examine whether there is any relationship between unfair dismissal laws and employment growth in the small business sector and the extent to which the provisions of federal and state unfair dismissal laws adversely impact on small business. It is Labor’s view and my view that any claims about the relationship between unfair dismissal laws and employment growth should be backed up by solid evidence. That Senate committee will bring some rigour and evidence, which has been sorely lacking in this debate so far as that matter is concerned.
I move to one of the important parts of Labor’s second reading amendment, which is covered by the Senate committee’s terms of reference that I referred to, which asks: what should the government really do in this area if it is serious about trying to assist small business? If the government were serious about seeking to assist small businesses, it would focus on the range of procedural improvements that could be made to simplify and improve the unfair dismissal process and reduce costs for small businesses.

There is a range of procedural improvements that could be considered. They include requiring the Australian Industrial Relations Commission to, firstly, conduct conciliation conferences at the convenience of small business—inconvenience is a constant complaint that is made in this area; secondly, encourage the use of telephone conferencing to assist small businesses who have difficulty attending hearings in person; thirdly, allow the commission to order costs against applicants who pursue speculative or vexatious claims; fourthly, legislate an indicative time frame within which the commission should deal with unfair dismissal applications; and, fifthly, make better information available to small businesses to assist them to understand their obligations about termination of employment. All of these things would be considered if you were serious about trying to effect sensible and better procedures to the benefit of small business, while at the same time treating people fairly. As I indicated earlier, that is covered by the Senate committee’s terms of reference, which include:

(b) to recommend policies, procedures and mechanisms that could be established to reduce the perceived negative impacts that unfair dismissal laws may have on employers, without adversely affecting the rights of employees.

I have also seen the suggestion that in this area it would be helpful if lawyers were not allowed to charge contingency or success fees—that that would be another helpful contribution that could be made. That is something I would happily see the Senate committee take up.

The real thrust of this part of the opposition’s second reading amendment and the real public policy desire here is to seek to constructively address concerns about the application of unfair dismissal laws on small businesses by pursuing sensible procedural reforms to reduce the cost and complexity of the unfair dismissal system. If the government were really serious about focusing its assistance to small business, it would focus on the range of procedural improvements that could be made to simplify and improve the unfair dismissal process and reduce costs for small businesses. As my colleague the shadow minister for small business has often stated in this place and in public, if there is a claim against a big business, they can send the human resources manager to the commission to deal with it; if there is a claim against a small business, then sending the owner to the commission can mean shutting down the business.

There is a range of simple procedural reforms here that can sensibly be made. That is reflected by our second reading amendment which confirms that protection from being unfairly dismissed is a fundamental issue for Australian workers and their families, irrespective of the size of the business in which they are employed, and calls on the government to work with small business, employees and peak bodies to make unfair dismissal laws more effective by addressing procedural complexities and costs.

This is probably the first of many proposed changes that the government will introduce in this parliament to seek to change the industrial relations landscape. Come 1 July, when the government assumes full con-
trol of the Senate, I fully expect that the government will not be able to help themselves. That is when we will see, with crystal clarity, the full spectrum of changes that the government has in mind in this area. But I am absolutely confident of one thing: just as this proposal is unfair, I am sure that we will see that many of the measures the government proposes to introduce will also be founded on a fundamental unfairness. Therefore, 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:

(1) confirms that the protection from being unfairly dismissed is a fundamental issue for Australian workers and their families irrespective of the size of the business in which they are employed; and

(2) calls on the Government to work with small business, employees and peak bodies to make unfair dismissal laws more effective by addressing procedural complexities and costs”.

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

Mr Tanner—I second the motion.

Mr SLIPPER (Fisher) (1.57 p.m.)—So often in our community governments get criticised for breaking promises they have made to other Australians. This government, through this legislation, is seeking to implement a promise made to the small businesses of Australia. On 41 occasions since we were elected to office, this government has sought to reform the unfair dismissal laws so that we are able to bring new employment opportunities to people who are not being employed by small business for fear of the financial consequences of Labor’s unfair dismissal legislation. It is tragic that the Labor Party continues to condemn many people to the dole queue because small businesses are simply not prepared to put on extra people, given the onerous nature of the unfair dismissal laws which currently burden small and big business in Australia.

This government is not going to apologise for seeking to implement a commitment that we have made to the Australian people. We want to give thousands of people the opportunity of getting work, of putting one foot on the employment ladder. Even though the people of Australia once again re-elected the Howard government at the last poll, even though the opposition knows that post 30 June the government will have a majority in the Senate which it will use responsibly, we find the member for Perth is continuing to frustrate the will of the Australian people as expressed by them in the poll last year. This bill amends the Workplace Relations Act 1996 to prevent unfair dismissal provisions from applying to businesses with fewer than 20 employees. We recognise the substantial benefit to the Australian economy by the creation of extra jobs and by giving small businesses the confidence to put on extra people. Labor stands condemned for its continuing opposition to new jobs.

The SPEAKER—Order! It being 2.00 p.m., the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.00 p.m.)—I inform the House that, due to the lateness of his flight, the Attorney-General will not be present until shortly after the commencement of question time.

Government member—He is already in the House.

Mr HOWARD—Oh, he is here! Dear me, you have to keep an eye on these ministers, Mr Speaker! They are more fleet of foot than I imagined.
QUESTIONS WITHOUT NOTICE

Ms Cornelia Rau

Mr BEAZLEY (2.00 p.m.)—My question is to the Prime Minister. I refer to calls today from the former Victorian Premier Jeff Kennett for a public judicial inquiry into the Cornelia Rau affair, with power to compel witnesses to give evidence under oath and to be cross-examined. Why doesn’t the Prime Minister do what his Liberal Party colleague Jeff Kennett is calling for? Prime Minister, why hasn’t any representative of the Commonwealth government contacted Ms Rau’s family about her harrowing experience in immigration detention?

Mr HOWARD—I have seen the remarks made by the former Victorian Premier. Jeff Kennett has a deep and genuine interest in the issue of mental illness. For the reasons that I have already outlined, the course of action in relation to inquiry on this issue to date is the appropriate one.

Economy: Performance

Mr RICHARDSON (2.01 p.m.)—My question is addressed to the Treasurer. Would the Treasurer outline to the House the results of the January labour force survey? What are the factors that have led to this result, and what measures are required to achieve further job gains?

Mr COSTELLO—I thank the honourable member for Kingston for his interest in economic matters. Today the Australian Bureau of Statistics released its labour force figures for the month of January, which showed that in the month of January just past there were 44,500 new jobs created in Australia. The unemployment rate remained steady at 28-year lows of 5.1 per cent, notwithstanding the fact that the participation rate increased to 64.1 per cent. That shows that more people started looking for work—and they were able to find it, with the 44,500 jobs that were created.

More importantly, with the 44,500 jobs which were created in the month of January, the number of jobs created since March 1996, when the coalition was elected, has now for the first time passed 1.5 million new jobs. What are the factors that have allowed that to happen? A medium-term fiscal framework, the reduction of Commonwealth debt, the locking in of inflation targeting, a low-interest rate environment, a more productive taxation system, continuing tariff reductions—all of these things have contributed to bringing that unemployment rate down. The unemployment rate peaked in 1992, at 10.9 per cent.

Mr Hatton interjecting—

Mr COSTELLO—Since the Labor Party interject, let me say that many members will not remember who the employment minister in Australia was in December 1992. He is studiously reading the Mackerras pendulum, Mr Speaker. But what can be done to increase employment in Australia? We need to continue the reform progress, and more important than any other reform is reform of Australia’s labour markets. We cannot have a situation where we see unjustified wage increases which are not based on productivity, as we have seen in relation to some state governments recently. If we have a strong employment economy, we need to lift our productive capacity so that wages can grow in line with productivity, inflation can be kept low and Australia can strengthen its economy.

Veterans: Military Compensation

Mr BEVIS (2.05 p.m.)—My question without notice is to the Minister for Veterans’ Affairs. Can the minister explain to the House, with respect to the compensation package announced yesterday for victims of beryllium exposure, why she stated that her department ‘has a longstanding compensation system in place’, when thousands of
servicemen have never been told that they had been exposed to beryllium dust? Why did she state that ‘a small number of beryllium cases have been dealt with under this system’, when the Royal Australian Navy has said that it has no record of any proven cases? Why did she claim that her department had been working hard to resolve the beryllium exposure issue, when the Naval Tankermen Association has not even been contacted by Defence or the Department of Veterans’ Affairs? Hasn’t the minister misled and insulted hundred of Australia’s service men and women and completely bungled the delivery of this much needed compensation package?

Mrs DE-ANNE KELLY—I thank the member for the question. Let me assure the House that the Australian government value our current and former members of the Defence Force. Their safety and wellbeing is absolutely paramount. Defence is taking this very seriously.

In response to the member’s question, I would firstly like to outline the steps that are being taken at present. We are establishing mechanisms through DVA for a beryllium information service for concerned ADF members and former members to receive factual information and also to register on a roll so that we have an opportunity to contact them individually and directly. There is a posting on the DVA web site of comprehensive information about beryllium related exposure. The information service will be operational in approximately seven days. Individuals will also be contacted in writing.

But I do want to deal with the concerns that the member has quite rightly raised. Firstly, serious illness resulting in beryllium exposure is quite rare, fortunately—and I think that will be reassuring to those who are at the moment most anxious about this matter. The other thing is that a claims process has been in place—through the Department of Veterans’ Affairs, not Defence, because DVA is the sister organisation that deals with claims—since DVA processed its first beryllium related claim in 1999. I will outline to the House the process for making a claim. I know that members of the House will want to share it with those who contact their electorate office. Any member of Defence or previous serving member or veteran who has a concern about their health can make a claim. The formal process involves a person making the claim with the Department of Veterans’ Affairs. There is then an onus on DVA to search out, through service and medical records, any service related matter that could have impacted on that person’s health. If necessary, the department also refers that person to a doctor and a medical specialist. In order to have the claim assessed they need to prove incapacity resulting from the disease and that there has been exposure related to service. Once all of those factors are checked through—

Mr Bevis—When were you going to tell them?

Mrs DE-ANNE KELLY—I will get to that answer, if I may, in a moment.

Opposition members interjecting—

Mrs DE-ANNE KELLY—I am surprised that the Labor Party finds this to be something they can taunt. This is a serious issue concerning people’s health and we are addressing it with great speed. The question is: how can people make a claim when they do not know whether they have had exposure? The reality is that claims related to beryllium have already been processed. The fact that people are unaware of their exposure will not prevent them lodging a claim or it ultimately being successful if they have a health impact and if they have a service related exposure. The question is: why was the search of records not undertaken and people advised? As
I said before, serious illness from beryllium exposure is quite rare, fortunately, and we should all be thankful for that.

To needlessly cause anxiety to large groups of people by advising them of exposure when the likelihood of any illness is rare would simply be unreasonable. However, the matter has been raised. People are anxious and we are moving at great speed to give them accurate information about their records. Those are presently being checked by Navy. They will all be contacted individually from the roll that is being prepared. I want to assure our service men and women and our veterans, whom we value highly, that DVA, together with Defence, are there to process claims. If people are entitled to compensation care, income support, they will receive it as is appropriate. We place great importance on our service men and women.

**Iraq**

Mr CADMAN (2.10 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on any further developments following the election in Iraq, particularly in enhancing security for the Iraqi people? Are there any alternative views?

Mr DOWNER—I thank the honourable member for Mitchell for his question. I appreciate that he is one of the members who is very concerned about the safety and security of the Iraqi people and their passion for democracy. The counting from the elections that took place on 30 January is still proceeding and the Iraqi Electoral Commission said overnight that a recount would be needed in some 300 ballot boxes. As a result, that will push back the announcement of the final results by a few days. Nevertheless, I hardly need to remind the House that the fact that so many Iraqis—eight million to nine million—reportedly went out to vote on polling day despite threats of intimidation and violence was a remarkable demonstration of the support of the ordinary people of Iraq for freedom and for democracy.

I note in response to the second part of the member for Mitchell’s question that the United States Secretary of State, Condoleezza Rice, met with NATO Foreign Ministers at NATO headquarters in Brussels during the course of last night—our time—afer which she said that these were ‘the best discussions of Iraq that we have had as an alliance,’ and ‘We know what the work is to be done ahead.’ Can I say how much we welcome that sentiment. I found very much the same point of view when I was at NATO headquarters just a week ago. There is a real determination amongst the NATO partners, including countries like France and Germany, to try to make the new free and democratic Iraq work on behalf of the millions of people of Iraq who want that type of a future for themselves. There are very few people in Iraq who want to see that country return to tyranny.

We know that one of the principal tasks—not the only task—in Iraq is to train up the Iraqi security forces: the army, the police. There are about 120,000-130,000 people so far in the Iraqi security forces. The security forces are not big enough and they are not strong enough to be able to confront the insurgents at this stage. More needs to be done. Out of the NATO meeting—I think this will be reiterated at the NATO summit that President Bush will be at on 22 February—there is a unanimous commitment to support the training task in Iraq. In Australia, unfortunately, we were told by the Leader of the Opposition—when he first became the Leader of the Opposition this time around—that we needed to have a more complicated debate on Iraq. As I pointed out yesterday, sentences with 106 words in them are certainly complicated.
The point is that the Labor Party in a year has had 16 different positions on the issue of troops in Iraq. The current position is that they kind of half support the security detachment remaining, at least for a little while, but they are not quite sure and they do not want to listen to the advice from the Chief of the Defence Force or the Chief of Army—they are not important. Politics is more important than that, according to the Labor Party. But when it comes to the troops we have in Iraq, who are undertaking the training tasks, who are contributing to training the Iraqi people, the Leader of the Opposition—who claims to be the world’s foremost expert on security issues—says that is not an issue. Actually, it is an issue, and we would like to know from the Leader of the Opposition whether the Labor Party, in its 16th position, moving to its 17th position, believes that we should be making a contribution to the training of the Iraqi security forces. He has been asked this question on Lateline and a number of other programs and he never answers it. Why? Because the Labor Party is deeply divided on the issue of Iraq. And we are proud of the role we played in helping the Iraqi people achieve democracy.

**Regional Services: Program Funding**

Mr BEAZLEY (2.15 p.m.)—Let me be simple for you, Alexander: the US needs an exit strategy and you ought to help them find one.

The SPEAKER—Order! The Leader of the Opposition will come to his question.

Mr BEAZLEY—My question is to the Minister for Local Government, Territories and Roads and concerns the Tumbi Creek matter. I refer the minister to his statements in the House last night. Is the minister aware that, following the receipt of advice from your office on 17 November 2004 that the original grant conditions were non-negotiable, the deputy mayor of Wyong Shire Council sent a note to his general manager with this message:

... Hallett—

he is your special adviser—
is obviously playing politics with this one, I don’t want to lose any of the promised money, how do you advise we handle this?

Doesn’t this prove that the minister’s adviser was putting improper pressure on the Wyong Shire Council?

Mr LLOYD—I made a full and open statement to the House yesterday evening. I see these allegations as very serious. I take them as being serious. I have investigated these allegations in my office and in my department. I turn to the question of the emails. I would like to go through the details that I have before me here. Firstly, I did not see the emails in question until yesterday afternoon when they were brought to this House. Secondly, neither my chief of staff nor I were consulted about the text of the emails before or after they were sent. Thirdly, I do not think that the Leader of the Opposition checks a draft of every single email that is sent by his staff—and I am sure that no other member of parliament is in a position to check every email that is sent from their office.

Fourthly, while I have spoken to the staff member concerned and have indicated to him that the wording of the emails was inappropriate, the House should bear in mind that he sent with that two-line covering email the department’s advice which made clear the purpose for the grants, that if the purposes of the grant were not to be met then that would affect the level of funding and that the project would not be revised to include outcomes beyond those agreed by Mrs Kelly without a formal request by council and reconsideration by the parliamentary secretary, the Hon. John Cobb. Mr Hallett has provided me with a statement on this matter which
puts his handling of the issue into its proper context. I wish to table a copy of that statement.

Whilst I am on my feet, I have also received letters from the Wyong Shire Council Mayor and the general manager detailing their handling of the matter. This indicates that the council has also handled the matter properly. I wish to table those two letters. I also want to quote a section from this letter from the Mayor, Brenton Pavier, dated 10 February, addressed to me. It says:

Dear Minister

I refer to the accusations made yesterday in Federal Parliament and confirm that neither I nor any of my Councillors sought to influence any report going to Council in late last year on the matter of Tumbi Creek.

The letter continues:

I find it repugnant and a slur on the character and the professional Directorship of Wyong Council to infer that a doctored report was produced for political end.

I table those two letters. What does concern me is that, with no evidence, the Leader of the Opposition has sought to slur the good name of the hardworking officials of Wyong Shire Council, people in my department and people in my office.

Health: General Practitioners

Mrs DRAPER (2.20 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister inform the House how the government is helping to ensure there are more doctors in our health system?

Mr Abbott—I thank the member for Makin for her question. Like so many other members here, she is only too aware of the fact that we do need more doctors in our country. The government has put measures in place to improve not only the supply of doctors but also the distribution of doctors to places of work force shortage. This year 1,664 students will commence publicly funded medical studies. This is a 17 per cent increase over 2003. Since December 2003, 1,144 overseas trained doctors have extended their visas from two to four years. An additional 259 overseas trained doctors have arrived or signed employment contracts to work in Australia under the Strengthening Medicare measures announced last year. In addition, under the More Doctors for Outer Metropolitan Areas measure, which started in March 2003, some 445 doctors, including 247 GP registrars, have shifted to areas of work force shortage, mostly from inner metropolitan areas. I note that the member for Lalor’s electorate has benefited from this measure. There are nine additional doctors in the member for Lalor’s electorate thanks to this particular measure of the government, and I do look forward to receiving her letter of appreciation.

Regional Services: Program Funding

Mr BEAZLEY (2.22 p.m.)—My question again is to the Minister for Local Government, Territories and Roads and concerns that part of my question that was not answered in his previous answer—which was pretty well all of it. Minister, are you aware that following receipt of advice from your office on 17 November that the original grant conditions were ‘non-negotiable’, the deputy mayor of Wyong Shire Council sent a note to his general manager with this message:

... Hallett—he is your special adviser—

is obviously playing politics with this one, I don’t want to lose any of the promised money, how do you advise we handle this?

Doesn’t that prove that improper pressure was being brought to bear on Wyong Shire Council by your office?

Mr LLOYD—No.
Workplace Relations

Ms PANOPOULOS (2.23 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House of the growth in participation in the federal workplace relations system?

Mr ANDREWS—I thank the member for Indi for her question and her ongoing support for a flexible workplace relations system which means more jobs for more Australians. Each year thousands of employers and employees right across Australia have embraced the flexibility which is available under the federal system. Indeed, some 619,000 Australian workplace agreements have been entered into in Australia since they were introduced in 1997. In 2004, AWA approvals grew by 42 per cent.

There is one state in Australia which has embraced AWAs more than any other to date, and that is the state of Western Australia. In fact, Western Australia now accounts for 32 per cent—almost one-third—of Australian workplace agreements, yet has only 10 per cent of the Australian population. Last year, almost 58,000 AWAs were entered into in Western Australia. Let me break that down to a couple of electorates. In the electorate of Brand, which the honourable Leader of the Opposition represents in this place, there were 10,948 people working under AWAs in 2004. In the electorate of Perth, there were 13,207—people like the employees at Catalano Seafoods that I visited last year. That company was able to move more of its casual employees into permanent work because of the use and the flexibility of Australian workplace agreements.

This 58,000 can be contrasted to the failed system which the Gallop government has put in place in Western Australia with their so-called employer-employee agreements—not 58,000, as we have had with the federal Australian workplace agreements, but in 2003-04 there were just 210 of the Gallop government individual agreements. So 58,000 use the flexibility of the federal system compared to just 210 struggling through all the complexity of the Western Australian system. What we have in Western Australia is workers voting with their feet, moving from the state system across to the federal system. In Western Australia now we have the Gallop government presiding over not only the strike capital of Australia but a mass exodus of workers into a more flexible and certain federal system.

Regional Services: Program Funding

Mr BEAZLEY (2.26 p.m.)—My question is to the Minister for Local Government, Territories and Roads. I refer the minister to his statement last night to the House and specifically to his assertion that:

On 17 November 2004 Mr Hallett of my office sought advice from my department on the implications of the flushing of the creek.

How can the text of this email be construed as seeking advice when it says:

The commitment by the Howard Government to the electors of Dobell in partnership with Wyong Council is non-negotiable.

Government members interjecting—

Mr BEAZLEY—Even when it is flushed. The email says:

It is the position of Mr Ticehurst that the money be delivered as agreed for the works and the schedule of the agreement under Regional Partnerships.

Minister, far from seeking advice, isn’t this a non-negotiable direction to the department?

Mr LLOYD—Again, the answer to the honourable member’s question is no. Mr Speaker, I would also like to provide to the House, following on from this series of questions, an article on page 2 of the Courier-Mail of 10 February 2005 in which the Wyong Deputy Mayor, Bob Graham, denied...
any fraud, saying that Mr Hallett’s email would not have influenced an engineer’s opinion that the creek still needed dredging. I table that article.

**Roads: Safety**

**Mrs VALE** (2.28 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister inform the House of Australia’s road safety record over the recent holiday period? What measures is the government taking to improve safety on our roads, particularly for young people?

**Mr ANDERSON**—I thank the honourable member for her question. Everyone in this House would recognise that there is a deep concern in the Australian community about road trauma. We have made tremendous progress over the last 30 years with the advent of seatbelts, drink-driving laws, better cars and better roads. But even though we rejoice in the fact that we had our lowest Christmas road toll on record this year, the fact is that too many die on our roads, and young Australians in particular are overrepresented in the figures. I found it truly horrific to discover that a young Australian male between the ages of 18 and 21 is 10 times more likely to die on our roads than a man in his 40s.

It is understandable that people expect us to do something about this. We had a forum here because Minister Lloyd and I are very determined to take forward world’s best practice—if I can put it that way—in this country. We pulled together local and international experts. We established, amongst other things—and I would like all members who are interested in this to take this on board because it is very sobering and it is something to point out to young people—that the time at which drivers are most likely, by a horrendous factor, to die is in the few months after they get their P-plates. After they have been through their L-plates, there is something that happens to young people when they get their P-plates that induces them to think, ‘I can now drive.’ Sometimes the results are truly tragic. The international experience is the same.

In recognition of this, we are doing a world first in Australia. We are going to select 14,000 young drivers for an exhaustive trial. Shortly after receiving their licence, those drivers will be taken through a series of short coaching sessions—about an hour each, seven or eight hours in total for each of our young drivers in the 14,000 trial group. Through that process, we will be seeking to challenge them in areas where they are not driving well and seeking to get them to recognise the limitations of their own skill sets, the motor cars that they are driving, the roads and the traffic circumstances under which they travel. We will be monitoring it very closely to try to get an accurate handle on the measures that will most improve the possibilities for our young people not dying on our roads.

I think this will have the total support of the Australian community. I welcome the support we have had from a number of the state governments, and in particular New South Wales and Victoria. I do not discriminate against any other government except to make the point that they will be participating in the trial with us. We have support from the vehicle industry, and I thank them for that; from the insurance industry; and from the motoring organisations, in particular the RACV.

It is my objective—and I think it would be shared by everyone in this House on a bipartisan basis—not only to save lives but to ensure that young drivers can enjoy the privileges and advantages of motoring in a way that maximises their safety and reduces to...
the absolute minimum the road toll in this country.

**Regional Services: Program Funding**

**Mr BEAZLEY** (2.32 p.m.)—My question is to the Minister for Local Government, Territories and Roads and follows an earlier answer of his. Now that you have said that you have had a discussion with Mr Hallett about the content of his emails, what was the meaning of Mr Hallett’s phrase ‘keep their counsel’?

**The SPEAKER**—I remind the Leader of the Opposition that he should refer to a minister by his title, not as ‘you’.

**Mr LLOYD**—I have provided a full statement from Mr Hallett in relation to those emails, but can I take the time to remind the House of the substance of this issue. The department’s advice, as forwarded by Mr Hallett to the council, made it clear that they were awaiting advice from the council on the impact of recent movements at the mouth of Tumbi Creek. Council, through its director of engineering services, considered the status of Tumbi Creek, and the director of engineering services reported on the situation and the scope of works to council on 24 November. The substance of the report was that, while approximately 1,000 cubic metres of spoil had been disposed of by the recent rains, they were dealing with a situation in which 15,000 cubic metres needed to be dealt with. The director of engineering services concluded:

In terms of raising the issue about is there any need to do any further work? It is a very valid question and it is indeed worthwhile identifying and that is what we’ve done but further work does need doing.

A copy of the transcript of those remarks to council was tabled in the House last night, and I tabled the letters from the mayor and general manager. I would now like to take the opportunity to table a staff memorandum from K. Yates, General Manager, Wyong Shire Council. It is dated 10 February 2005. It is to the mayor, Councillor Brenton Pavier. It is headed ‘Tumbi Creek’ and it says:

I refer to the allegations in the Federal Parliament yesterday that Minister Lloyd’s office pressured council staff in the preparation of reports on Tumbi Creek.

As you are aware, all reports from staff to council are approved by me prior to submission to Council. I have on a number of occasions, pointed out to Council that reports provide the professional advice and recommendations from staff regardless of the position of Council on any issue. Indeed, the Local Government Act provides that Council may direct staff to prepare a report but neither Council nor individual Councillors may direct or attempt to influence, the content or recommendations of a report.

This was certainly the case in respect to Tumbi Creek. Neither Minister Lloyd’s office nor any other person sought to influence the Director of Engineering Services in the preparation of these reports or influence me in approving their submission to Council.

I table that staff memorandum.

**Trade: Malaysia**

**Mr HARTSUYKER** (2.36 p.m.)—My question is directed to the Minister for Trade. Could the minister update the House on Australia’s improving trade relationship with Malaysia?

**Mr VAILE**—I thank the honourable member for Cowper for his question and acknowledge his interest in our expanding export effort, particularly from his electorate on the mid-North Coast of New South Wales. Australia’s trade relationship with Malaysia and the overall economic relationship have been steadily improving. Malaysia is now Australia’s 10th largest trading partner, with two-way trade standing at $9.7 billion. Interestingly, in some discussions we have had a bit of focus on the services sector; the ser-
The House would be aware that Australia and Malaysia are conducting parallel scoping studies on a possible free trade agreement. The scoping studies should be concluded in the early part of this year—by the end of March. The objectives of a possible free trade agreement, and the benefits, would see further reductions in tariff barriers in agriculture, greater investment flows both ways and better access for our services sector, particularly legal firms and educational institutions. The member for Cowper has a great tertiary institution in his electorate called Southern Cross University, which continues to expand.

Today, I launched a report by my department called *Malaysia: an economy transformed*, which is designed to help Australian business capitalise on the expanding and growing opportunities in the Malaysian market. It shows that a FTA would build on the strong links that we have with Malaysia across a broad range of areas, particularly in education, defence, security and tourism. I know the Minister for Education, Science and Training would agree that we have a very strong education relationship with Malaysia. There are currently about 20,000 Malaysian students studying in Australian educational institutions. They will add to the 200,000 Malaysians that have already been educated in Australia’s tertiary education system, which certainly builds on the very strong basis of the relationship between the two countries.

They make up a significant part of our services exports to Malaysia, which are currently worth $972 million. About 30 per cent of our exports to Malaysia are services, which is above our average overall export effort—the services sector accounts for, I think, around 22 per cent of exports. It is important and very significant to note the importance of the services trade with Malaysia. You would not think that the ALP would need to be reminded of the importance of the services sector, given that the unions that represent the services sector in Australia donated about $2.2 million to the ALP’s coffers. Given some of the comments made by some of the ALP spokesmen on this, they tend to ignore the importance of services trade in the overall export effort from Australia, where, in 2004, services exports rose by five per cent to $34 billion. Thirty-four billion dollars was earned for the Australian economy; that is, 22 per cent of our export wealth in 2004 was generated by the services sector. Therefore, a key objective of a possible free trade agreement with Malaysia is to expand on that already large services export to Malaysia.

**Regional Services: Program Funding**

**Mr BEAZLEY** (2.39 p.m.)—My question is to the Minister for Local Government, Territories and Roads. I refer to the minister’s tabling of a letter from the Mayor of Wyong Shire Council, which he claims supports his contention that his office did not seek to improperly pressure Wyong shire to conceal the true state of Tumbi Creek. Minister, is it not the case that on 22 November 2004, the mayor of Wyong shire sent an email to his deputy mayor and the council’s director of engineering containing the following words:

Hi guys,

no doubt you would be both aware of the letter from Dotars that has been emailed to us. Your comments to achieve some consensus on the following-In light of this letter may we consider:

1. That council re-affirms its commitment to the dredging of Tumbi Creek to achieve its original objectives

Tumbi Creek, recollect, is now flowing—you put out photos of it! Is this not clear evidence, together with the email from the deputy mayor to the general manager revealed
today, that Wyong Shire Council felt considerable pressure at the hands of the minister’s office?

Mr Lloyd—No, I am not aware of that email. Whilst I am on my feet I might take the opportunity to correct the Leader of the Opposition in his comments that Tumbi Creek is now open and flowing. I tabled a report from the director of engineering services yesterday, which indicated that there still needed to be much further work done on Tumbi Creek. My understanding is that about 1,000 cubic metres of sludge was flushed out from the creek during the floods, but there is some 13,000 to 14,000 cubic metres of sludge that still needs to be removed from the creek.

Bankruptcies

Mr Cameron Thompson (2.42 p.m.)—My question is to the Attorney-General. Would the Attorney-General inform the House of efforts to ensure high-income professionals cannot use bankruptcy to avoid their creditors? Are there any alternative views?

Mr Ruddock—I thank the member for Blair for his question, because this government is committed to preventing high-income earners, including barristers, from shielding their real assets from their creditors. It is our duty to ensure that creditors are protected and that the bankruptcy system is not misused. We could not allow some bankrupts to live the high life while their creditors remain unpaid. The Commonwealth, working with the states and territories, has taken action to ensure that bankrupt barristers who avoid their debts cannot practice. We have led the way by asking all departments and agencies to ensure that they do not brief counsel who use bankruptcy as a means of avoiding tax.

This week, I have released a discussion paper which contains a range of options on which we are asking for suggestions to further strengthen the Bankruptcy Act. We did listen to concerns about previous proposals that we put forward. Some people put the view that they perhaps went further than was necessary, and we are asking those persons who offered comments to the House of Representatives committee—the stakeholders—to review the changes that we are suggesting could be pursued. We are seeking their comments by 31 March. Of course, this contrasts with the opposition who, in relation to another enactment dealing with family law and bankruptcy, have proposed amendments that are ill conceived and only go part of the way to resolving the issues. In fact, they would not be wholly effective on their own and would only potentially be part of a package of reforms if they were really intent on addressing the problems. Acknowledgment of this by the opposition occurred in the Senate when Senator Ludwig said, ‘I accept the view that it is not sufficient and it does not cover all the bases.’ It is important that these inadequate amendments do not delay the passage of the important family law and bankruptcy reforms that we are proposing. I would urge the opposition to support the government in its determination to consult widely and act properly in ensuring the integrity of the bankruptcy system.

Regional Services: Program Funding

Mr Kelvin Thomson (2.45 p.m.)—My question is to the Minister for Veterans’ Affairs and concerns her decision to approve a $1.5 million grant for the dredging of Tumbi Creek. Can the minister advise the House of the basis on which she made this decision? How could the minister have been satisfied that this project was best value for money, as required under the program’s guidelines, when it was the third-ranked option in an engineering report prepared for the council, it was more expensive than the two more highly rated options and it was not rec-
ommended by the local area consultative committee?

Mr Causley—Mr Speaker, I rise on a point of order. The question refers to action taken by the minister when she was a parliamentary secretary, not a minister, and is therefore out of order.

Mr Beazley—Further to that point of order, Mr Speaker: we have been going through this now for about four or five question times. It is clearly an area where the minister has responsibility to this parliament and it is a matter of notoriety and concern to the Australian public. You permitted all the previous questions.

Mr Abbott—On the point of order, Mr Speaker: if the minister had made a statement to this parliament in relation to this matter, it would be appropriate to question her on that statement. But she has not made a statement to this parliament on this matter. Therefore, the point of order raised by the member for Page should be sustained.

Ms Gillard—On the point of order, Mr Speaker: a question was asked of the Minister for Veterans Affairs yesterday which precisely related to this grant. She took the question and you did not intervene; consequently, you must have ruled that it was in order.

The SPEAKER—The question is in order and I call the Minister for Veterans’ Affairs.

Mrs DE-ANNE KELLY—The advice from the department was followed in relation to the merits of the application. I would also like to remind the Labor Party that we never hear any questions about the Ti Tree rural transaction centre to provide that Anmatjere people with access to services they do not currently have. We do not hear about the Pyrenees shire about an industrial estate—

Mr Beazley—Mr Speaker, I rise on a point of order. What on earth does that have to do with the question the minister was asked?

The SPEAKER—The minister has only been answering the question for a brief time. The minister can proceed.

Mrs DE-ANNE KELLY—We do not hear the Labor Party ask about the Pyrenees shire, a town suffering from population and business decline, which got a grant of $143,000. We do not hear about the food manufacturing precinct that will create 159 direct jobs and 140 indirect jobs. We do not hear the Labor Party ask about the Winton aquatic centre—

Mr Beazley—Mr Speaker, I rise on a point of order. This has got absolutely nothing to do with the matter on which the minister has been questioned. Great improprieties have been committed and an answer is deserved by the public.

The SPEAKER—I am sure the minister will link her answer to the question.

Mrs DE-ANNE KELLY—The Labor Party asked about the worth of projects and the basis on which they are approved. Those projects were in the seats of Lingiari, Ballarat, Bendigo and Capricornia. The Labor Party was happy to accept worthwhile projects in their own electorates—

Opposition members interjecting—

The SPEAKER—Order! The minister will resume her seat.

Education: Vocational Education and Training

Dr Jensen (2.49 p.m.)—My question is addressed to the Minister for Vocational and Technical Education. Would the minister inform the House how the government is easing the financial burden on new apprentices?
Mr HARDGRAVE—I thank the member for Tangney, one of the absolutely impressive new members of the class of 2004 on this side. We are delighted that he is here today and I know he is making a great mark in his electorate and beyond already. I am happy to report the number of apprentices in training has increased from just 141,000 in 1995 under Labor to almost 400,000 today under this government. This is a direct result of the high priority that the government has given to ensuring that young Australians have greater opportunities to take up new apprenticeships. Over the last two years the government has made a major additional investment in new apprenticeships. This is a vital element of our comprehensive approach to addressing skills needs in Australian industry.

During the election campaign the Howard government announced a further $1.06 billion in new funding over four years for vocational education and training. This is simply one of the most significant boosts ever undertaken by any government in our nation’s history. In particular, we are helping to ease the financial burden that is faced by apprentices in the first few years of their trade. The honourable member would be interested to know that we have provided just over $90 million over three years to provide toolkits up to the value of $800 for new apprentices who are in the trades where there is a skills shortage.

Mr Costello interjecting—

Mr HARDGRAVE—The Treasurer is asking when, because he has to pay for this by his good, strong financial management. The answer is 1 July 2005. They will begin to flow from the first of October. This will help up to 34,000 new apprentices a year in trades experiencing skills needs such as metals, motor vehicles, carpentry, plumbing, chefs and cooks, cabinet making, furniture making and hairdressing trades. They will be provided to new apprentices at the end of their three-month probationary period and the first apprentices will benefit from October this year. Eligible new apprentices will be able to keep their toolkits after completing a further six months of their apprenticeships.

Also from 1 July, a $500 Commonwealth trade learning scholarship will be paid to eligible new apprentices in trades with a skills shortage at the successful completion of each of their first and second years. That is a total of $1,000 for each new apprentice. This initiative will assist up to 60,000 first- and second-year apprentices every year, at a cost of $75 million over three years.

The government will also provide a new payment of $25 per week for apprentices in their third year who have moved away from their family home to take up or remain in a new apprenticeship. This initiative will help some 2,900 new apprentices each year and cost just an additional $5 million over three years. Furthermore, the government is extending eligibility for Youth Allowance and Austudy to over-25s to new apprentices from 1 July this year, benefiting up to 93,000 new apprentices by 2008-09. It is a great story. You could talk about it all day, but the member for Gippsland does not want me to. For a cost of $410 million over three years, it shows that this government is committed to getting on with the job.

Regional Services: Program Funding

Mr KELVIN THOMSON (2.53 p.m.)—My question is again to the Minister for Veterans’ Affairs. I refer to her undertaking to the House yesterday to check how the member for Dobell could announce details of the first Regional Partnerships grant of $748,000 for Tumbi Creek on 8 June last year, before an application was even lodged and more than 24 hours before Wyong Shire Council
even met to consider lodging an application. Will the minister now provide an explanation to the House?

Mr HOWARD—I will take that question. I will take the question because the very first question that was asked of the minister by the Leader of the Opposition was based on a wrong statement. The Leader of the Opposition asserted in his question that the member for Dobell had announced details of the first Regional Partnerships grant of $748,000 on 8 June 2004, which was 16 days before an application was lodged and more than 24 hours before Wyong Shire Council even met to consider lodging an application. The truth is that he did not announce it on 8 June; he announced it on 1 July, which was after the approval given by the minister, the then parliamentary secretary. That is apparent from a perusal of the press statements that were made. I have in my hand a press statement from the indefatigable member for Dobell—the indefatigable and justly re-elected member for Dobell—dated 1 July 2004, in which he announces:

The member for Dobell, Ken Ticehurst, has secured $680,000 in Australian government funds towards dredging Tumbi Creek. The funding was approved under the Australian government’s Regional Partnerships program.

If the Leader of the Opposition wants to mount a serious examination on this issue, he should not rely on the newspaper report that he flashed in front of me when the question was asked; he ought to rely on the original source material. Indeed, there was a statement made by the indefatigable member for Dobell on 8 June and in that statement he said this:

The member for Dobell, Ken Ticehurst, is seeking to increase the offer of federal funding towards Tumbi Creek.

In other words, what Ken Ticehurst was doing, what he was elected to do, was looking after his constituents. The bottom line of all of this is that in the last couple of days the member for Dobell and the minister have been attacked. Do you know why they have been attacked, Mr Speaker? They have been attacked because they have been looking after the people of the Central Coast of New South Wales. The reasons these two men are back in this House with increased majorities is that they understand the needs of the people of the Central Coast of New South Wales, whereas this reborn Leader of the Opposition does not even go to his source material, works himself up into a lather and completely misses the point. But the people of Dobell and the people of Robertson want active local members who will look after their interests, and for so long as they have Ken Ticehurst and Jim Lloyd, they will go on re-electing them.

The SPEAKER—Is the member for Wills rising on a point of order?

Mr Kelvin Thomson—Yes, on a point of order, Mr Speaker. I seek leave to table from the Daily Telegraph of Wednesday, 9 June an extract indicating the federal member for Dobell, Ken Ticehurst, yesterday committing $680,000 for a dredging program for Tumbi Creek.

Leave granted.

Employment: Work for the Dole

Mr LINDSAY (2.57 p.m.)—My question is addressed to the Minister for Workforce Participation. Would the minister inform the House of the benefits of the Work for the Dole program, particularly in my electorate of Herbert? Minister, are there any alternative views?

Mr DUTTON—Can I start by thanking the member for Herbert for a great question. His is a great demonstration of the way in which we have another successful program from the Howard government. They scream from the opposition benches because they detest Work for the Dole, despite the fact that
this program works so well in their electorates as well. I am today after an indication from the opposition of who would be a champion of Work for the Dole on the other side, because to date there have been about 327 positions taken by members opposite on Work for the Dole—they are for it, they are against it, they are in favour, they are against. What you need to recognise is that Work for the Dole is a program that has worked incredibly successfully. If we look at the reason why unemployment in this country is at a 28-year low, why it is at 5.1 per cent, Work for the Dole is one of the programs that has contributed to that success.

When we consider some of the programs that have been a success, the member for Herbert has a great example in his electorate. I refer to a letter that he received from the North Queensland Military Museum about a fantastic project in his own electorate that he championed. The people wanted me to table this letter today, because it is a fine demonstration of the way in which Work for the Dole has worked in Herbert. I table that letter in support of the Work for the Dole program. It is a great program that to date this financial year has provided about 43,000 Work for the Dole commencements. That is a 13 per cent increase over the same time last year. I say to the Labor Party today: please support Work for the Dole. It is a great program. It supports young Australians. If you are serious about supporting the government’s employment programs, get behind Work for the Dole.

MINISTER FOR LOCAL GOVERNMENT, TERRITORIES AND ROADS

Censure Motion

Mr BEAZLEY (Brand—Leader of the Opposition) (3.00 p.m.)—by leave—I move:

That this House censure the Minister for Local Government, Territories and Roads for:

1. failing to abide by the Ministerial code of conduct;
2. failing to give any full and satisfactory explanation of his conduct;
3. failing to disclose documents relevant to the Tumbi Creek affair; and
4. putting grossly improper pressure on others to cover up facts material to the proposed expenditure of $1.5 million of taxpayers’ money.

The Tumbi Creek scandal reeks of fraud, arrogance and lack of accountability. Recollect how this started: it started with all the impropriety which has come to surround and be recognised as the signature tune of this scheme of regional rorts. The council is there considering a matter under pressure from one of the members from the area about what ought to happen at the mouth of Tumbi Creek. The council has a set of propositions—three; more than that, actually—but three are at the top of them, of which this is the third. The first two propositions are affordable and follow the natural line out from the creek. They are in accordance with the various EPA requirements associated with dredging activities and are preferred by local area consultative committees. They are preferred by all those in the area who regard this as an important matter to deal with. Remember that we are not talking about commercial operations here; we are talking about opening a portion of the creek to permit folk who live up the creek—and there are not huge numbers of them—to take power boats down the creek, out into the lake. That is what we are talking about. We are not talking here about a major commercial operation that requires a massive investment of huge sums of taxpayers’ dollars—$1.5 million, in this case. We are talking about the convenience of opening up the creek so that the 20 or 30 residents up that creek can bring their boats down into The Entrance.
It is a sensible proposition. Work done in 1996 by the New South Wales government produced exactly that situation—and affordably. It was vastly less than the $1.5 million, and there was no objection from the New South Wales government on environmental grounds. The money could have been provided and no doubt the local area committees would have been happy about that, but was that good enough for the minister or for his office? No, they wanted a different proposition. They wanted a proposition which, ultimately—because obviously the New South Wales government would not join it—would require total Commonwealth collaboration. They could not get it from the state government, so instead of it being $650,000, it cost the Commonwealth $1.5 million, and still they persist in it. They persist in it despite the fact that it has no environmental clearance, despite the fact that it is a small number of private power boats and boats that are basically served by it and despite the fact that a different proposition costing far less could achieve the same objectives—ultimately it was God who did it—of getting those power boats out of Tumbi Creek into the lake.

All those sensible things which constitute value for money, which are said to lie at the heart of the criteria underneath the regional rorts program were jettisoned, and that is the starting point. I do not know what press releases the member for Dobell, Mr Ticehurst, might be putting out but certainly on the 8th he went to that newspaper and made amply clear to them exactly what it was. I will quote from the newspaper. It says:

Pressure to fund a solution to repair the sludge filled Tumbi Creek has shifted to state member for The Entrance, Grant McBride, after federal government confirmed $680,000 had been earmarked for a dredging program—‘confirmed’, ‘earmarked’ for a dredging program—

Federal member for Dobell, Ken Ticehurst, today committed the money to pay for 15,000 cubic metres of spoil to be dredged and dumped at the Buttonderry tip near Wyee under the Regional Partnerships program.

If the poor old journalist did make a mistake seeing a prancing member of parliament before him, thinking that he was promising rather than committing, it is fully understandable, because, at the end of the day, it is pretty irrelevant. The fact of the matter is that these things were announced and put forward before the council had an opportunity to consider them. When the council did consider them, it did not come down with a definitive engineering statement, as was suggested by the Minister for Veterans’ Affairs when she made her remarks yesterday. It came down with a statement saying, ‘These various suggestions should be looked at and processed further.’ That is what the council considered—unless there is some other document that the department knows about, but which has not been tabled here, which indicates that indeed they did get a very firm indication from the engineers that this was the preferred option and the only way for them to go.

That is the beginning of the process. Let me go to the end of the process and then I will conclude when we deal with the middle, because it is in the middle that we find most of the reasons for removing this minister from office. But I will go to the end. The end is the act of God. What happens with the act of God is that rain falls and the channel is opened. The channel is opened along the lines of the original dredging. Remember, here, that we are not talking about massive commercial operations. This is about the convenience of private folk—very important people—so that their can get their boats out into the lake. So the rain opens the channel, and the boats can come out.
This remains the situation when the matter finally goes to the council. The engineering report that the minister was relying on yesterday and thence tabled in the House is an extraordinary thing. The Commonwealth would spend $1\frac{1}{2} million on the say of this engineering report. Let me read from it:

There are about four photographs that we have taken. That particular one there was taken April 21st of this year and it actually shows the blockage in the front of the creek there (keep flicking through Jarrod). That one was taken in September 24th this year, which was just after that first reasonable storm that we had and you can actually see there is a little bit of scour through the blockage in that area there. Not a terribly significant reduction in the amount of silt at ... the creek. Next one thanks, mate. That one was taken November 22 2004 after the rainfall event on October 1 and you can actually see there is quite a significant amount of removal of silt at the face, mouth of the creek there.

Indeed there was. Because, as further reported in the engineers report on which the Commonwealth bases their willingness to spend $1\frac{1}{2} million—and they wrap themselves around this piece of paper in their defence—he is pointing out to the council that a few boats are coming out.

The significance of all of that is: in the council processes, after the rains, to the various councillors, to the engineers, to the people who are responsible for ensuring that the good works are done and that the council’s needs are being properly served, somebody says: ‘Hey fellas, you remember that $1\frac{1}{2} million we got? Well, it’s not really necessary now. Hey guys, there’s a flow there from the creek. The boats are getting in and out. We’ve seen that. But, gee, it would be nice—because we’ve got many problems here in the Wyong shire area—to get a bit of this money for other things. Perhaps we might go back to the Commonwealth and say, “You’d get a bit of value for money, now that the problem of the mouth of the creek is solved, if we got ourselves into a situation where we got a bit of money spent on the other works.”’

Of course, that is when the intervention started. That is when the alarm bells went off for Mr Hallett. That is when things got a bit hot for all the folk who are the poor devils who have to run this particular council under these pressures. That is when we start to see the instructions going across to DOTARS. The position of the minister here is that he comes into this place and says: ‘Well, we were ultimately responding on the basis of what the department was telling us.’ No, they were not. The department is quite neutral about these things. The department is prepared to receive any information on these matters, and in fact the department obviously was getting some. The department obviously was getting a pretty clear-cut indication that the amount of money that folk were talking about was not actually going to be necessary, because things had started to happen.

The substance of the emails that go across to the department is not: ‘Could you tell us what is happening?’ It is telling the department: ‘This is non-negotiable. There will be no change of mind and no change of heart. We are all going to sing from the same song book when we talk to the people from this area. We are going to tell them what is happening and what they must do, because we have this guideline which says that if the original purposes are not served we will have to go through the grant process again. So we would rather be able to talk about $1\frac{1}{2} million worth of unnecessary expenditure than to go through three-months bother to say the problem is solved, the problem is fine, let’s go back and spend a bit of money on something else.’

It is not as though they lack a bit of influence in getting money to be spent on their various rorts around the place. They can do
anything they like with this program, and they do. But for some reason or other they decided stubbornly that they would not do it with that. What we have then is the situation where, firstly, the department is suborned and ordered to suppress its doubts, to sing from the same song sheet and to go back to the officials that they deal with at Wyong Shire Council. Then there is the follow-through from Mr Hallett. The follow-through from Mr Hallett is at some point sufficient to get the deputy mayor to send a memo into the council offices. I did not actually read out this expression in the House, but people can look at it when they go to the original email. He calls him ‘Councillor Hallett’. Irony, I think, because as far as I am aware Mr Hallett is not a member of that council and never has been a member of that council. But he describes him as Councillor Hallett, which, if nothing else, demonstrates how much this minister’s office is embedded inside this council—and that in itself is improper—as a result of the actions of ‘Councillor’ Hallett: the first set of instructions going out along with the instructions from the department, saying, ‘You must make absolutely certain that you make no alterations here.’

And then we have the absolutely notorious pressure point, the absolutely notorious missive, which none of them have an explanation for. All the Prime Minister could say out there when that particular email was referred to was: ‘Well, it’s very unfortunate.’ All that this minister could do when that particular email was referred to was to say, ‘I don’t have anything to do with it. It wasn’t me. Not me, not my chief of staff. We didn’t have anything to do with it. No, no, it wasn’t us. It came from my office’—preceded by a mass of correspondence from the department and further missives from Mr Hallett telling them: ‘Stop this business on your council. Get yourself into gear. Stop this speculation on the idea of putting the money off somewhere else. Stop the notion that you should think about the value for money applied to the Commonwealth taxpayer, given that a different solution has now suggested itself by God. Stop that proposition. Don’t do another darn thing on that. You do as you are told.’

What does that produce? It produces surrender. The councillors are not entirely innocent in this. The majority of that council are friends and mates of Mr Hallett, the minister and the member for Dobell. They all gather around together. They socialise together, chat to each other, defend each other’s interests and advance each other’s interests. They are not enemies who are being pressured here; they are friends. The barriers of resistance are not great. We are not here cracking diamonds. We are not here pounding through a ceiling that is impenetrable. We are not ‘blockbusting’ a bunch of characters who are hidden deep under 15 feet of concrete, determined not to move in their defence of principle. They are a bit easy, but they had that small smidgeon of what Australians call ‘commonsense’. So they decided with their commonsense to tell the Commonwealth that ‘commonsense’ meant that the Commonwealth ought to do the common good. The common good in this regard meant: ‘God has taken care of the mouth of the creek, and the boats can now come in and out. Let’s do something else with it.’ But they surrendered, and here are the terms of surrender. This is from Brenton Pavier to Deputy Mayor, Councillor Bob Graham, with copies to Councillors Ron Stephens and David Cathers:

Subject: Tumbi Creek Suggestions

Hi guys

No doubt you would be both aware of the letter from DOTARS that has been emailed to us. Your comments to achieve some consensus on the following in the light of this letter may we consider—

You can read this religiously—
(1) that council reaffirms its commitment to the dredging of Tumbi Creek to achieve its original objectives.

The prodigal sons have come home. The prodigal sons have been brought back into the flock. These silly fellows had in mind the defence of the public interest, of being honest, of inducing into this project and this program a smidgeon of integrity, which it has lacked from day one, in an effort to bring it back on track with value for money—gone. The ‘Hi guys surrender’ is there from the council, but it is not there for public view. There are tens of millions of dollars in this program. This program is supposed to have attached to it some set of standards, but we know the standards are meaningless. But, because the standards are largely meaningless, it does not mean that standards should not be there. It does not mean that we should not refer to them and point to this thing and say that there ought to be at least some effort to observe the proprieties.

Remember this: as far as we can see—certainly in none of the public documentation put down from the government—there has not been a word of a firm engineering commitment to this project as the best option and the best value for money. There has been vagueness, there have been alternatives and there have been preferred options that are less expensive and follow the natural line of the creek and do the sensible thing—there has been all of that—but there has not been a firm position presented which says exactly what it is that the Commonwealth has ultimately done.

Then there is the mess of the approval process: the commitment by the member, the subsequent consideration by the council under pressure of that commitment, the council decision being taken on what is in fact a vague engineering study by those three, the passage up to DOTARS, which is supposed to be the body that checks these things, and DOTARS coming back within 24 hours and saying, ‘It will be done.’

After the New South Wales government said, ‘This doesn’t conform to any known value-for-money environmental objectives that we could reasonably set for this area,’ the Prime Minister rocked in. It is no wonder the Prime Minister is defending this so avidly; his fingerprints are all over it. The Prime Minister cannot let this minister go because no matter how incompetent he is, no matter how mole-like he is in this place, the minister had the good commonsense to have the Prime Minister photographed at the entrance of Tumbi Creek. That was a smart move. He got the Prime Minister locked into this conspiracy because the Prime Minister substituted for the New South Wales government. It is amazing, given the Prime Minister’s criticisms of the Carr government over the years. The Prime Minister became Bob Carr as he stood with his suit at Tumbi Creek and said, ‘Tut, tut. It is a shame that 20-odd boats can’t get out of here. Find me $1½ million nicker immediately so I can deal with this problem forthwith.’

This is completely contemptible. This is a complete waste of public funds. There are lies and deceits in all of this. There is unfair pressure brought to bear on officials, from the Commonwealth level. There is deceitful practice from a minister’s office, which he disowns but does nothing about. Are you going to sack Mr Hallett for behaving like this and putting you in the trouble that you are in by not making a phone call rather than sending it in an email? Are you going to do that to him? I tell you what, Minister: you have lowered the standards of the operation of the Commonwealth government. You should be censured, and you should be driven from office. *(Time expired)*

The **SPEAKER**—Is the motion seconded?
Mr KELVIN THOMSON (Wills) (3.20 p.m.)—I second the motion and reserve my right to speak.

Mr LLOYD (Robertson—Minister for Local Government, Territories and Roads) (3.21 p.m.)—What we have seen here in the past few days is a failed, orchestrated campaign against a very worthwhile program. The Regional Partnerships program has delivered more than 500 projects, to the value of $113 million, throughout Australia, particularly to rural and regional areas. What we have heard over the last 20 minutes highlights the Leader of the Opposition’s complete lack of understanding of the needs of rural and regional Australia and the needs of the Central Coast.

Mr Speaker, if you had listened to the speech by the Leader of the Opposition, you would have thought that the Labor Party did not support the dredging of Tumbi Creek. But nothing could be further from the truth. I tabled in this House yesterday an ALP election brochure from the Labor candidate for Dobell, David Mehan. In it there is a lovely photo of David Mehan and the former leader of the Labor Party, Mark Latham. The brochure is headed ‘Labor to fund the dredging of Tumbi Creek’. It states:

Labor’s candidate for Dobell, David Mehan, says Labor will fund the dredging of Tumbi Creek with a commitment of $1.3 million to continue the project.

It does not say which program that would come from or how it has been costed—no. Those opposite just waltz around the country and say, ‘Oh, we will throw $1.3 million into the dredging of Tumbi Creek.’ The quote continues:

“The health of the local environment is critically important. People want to know that they can enjoy the area but they also need to be reassured that the danger of flooding to homes at the mouth of the creek will be reduced,” David said.

Fixing Tumbi Creek is important, but now we need to look beyond Tumbi and focus upstream to stop siltation occurring. We need to work to fix the causes, not just the symptoms.”

“Labor’s decision to commit funding for the project shows how much we care about the local area,” said Labor candidate David Mehan. “It is not about politics, it is about getting the job done.”

The Leader of the Opposition spent 20 minutes today highlighting the fact that he felt that this was not an important project; that the environment of the Central Coast was not important—he thought the dredging of Tumbi Creek involved just allowing a few boats to go in and out. This debate over the last few days has highlighted the Central Coast. I am sure that the residents of Tumbi Creek never thought that they would have such a high profile and certainly the tourist association of the Central Coast would be pleased with the publicity that the Leader of the Opposition has provided for the Central Coast.

It is appropriate that I go through some of the timing of the application and the announcement. It should be recalled that, through the strong advocacy of the member for Dobell, he had already secured an earlier commitment of $340,000 in flood mitigation assistance from the Australian government. Indeed, the Wyong Shire Council had written to the New South Wales Minister for Infrastructure, Planning and Natural Resources on 12 December 2003 advising that the member for Dobell had secured federal government assistance and asking the New South Wales government, as the responsible authority for the Tuggerah Lakes, if it would be agreeable to provide funding equally with the federal government and the council. I also point out that on 15 December 2003 the member for Dobell wrote to the state Labor member for The Entrance, who was also a minister in the New South Wales government, asking that he
work with the member for Dobell to secure the matching funding. The program at Tumbi Creek was an important program. The member for Dobell worked tirelessly to ensure that the funding was secured.

Today the arguments have been based on misinformation in newspaper articles—having got the facts wrong. Earlier today I tabled some documents. I would like to read into the Hansard a letter that I received today from the Mayor of Wyong Shire Council, Brenton Pavier. It is addressed to me and says:

Dear Minister

I refer to the accusation made yesterday in Federal Parliament and confirm ...

Honourable members interjecting—

Mr LLOYD—Mr Deputy Speaker, members opposite think that this is a joke. They know there has been a failed attempt to censure the minister and to embarrass the government. All it has done is served the opportunity to highlight how much the government supports regional and rural Australia and how important the Regional Partnerships program is to the rest of Australia. The Regional Partnerships program deals with real issues. It provides real benefits for real Australians throughout rural and regional Australia. It is an important program. It is one that even the member for Capricornia supported. She welcomed the $2.2 million that came out of Regional Partnerships. The member for Lingiari did not complain when his electorate got a very sizeable grant for the new telephone system on Christmas Island. It seems that the Labor Party are very hypocritical when it comes to Regional Partnerships. They want to complain about any Regional Partnerships money that might go into electorates that are held by the coalition but they are quite happy to accept money that goes into Labor electorates.

I will go back to the letter from Brenton Pavier, the Mayor of Wyong Shire Council. The second paragraph says:

I find it repugnant and a slur on the character and professional Directorship of Wyong Council to infer that a doctored report was produced for political end. It is my intimate knowledge that the volume of sediment that exists at Tumbi Creek is in the vicinity of 30,000m³ or 2,400 tipper truck loads of sediment. The programme to which we have always sought funding and the amount of spoil to be removed is of the magnitude of 15,000m³ or 1,200 tipper truck loads.

Honourable members interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—If members on my left persist in talking they will be removed from the chamber.

Mr Albanese interjecting—

Mr LLOYD—It continues:

It was evident in the report produced to Council, that only 1,000m³ of spoil had been dislodged by weather events and a significant sediment still exists at the delta of Tumbi Creek which could cause potential flooding of 18 properties in its vicinity.

I stand by and have always had a high respect not only personal but professional of the General Manager and the Director of Engineering Services.

This is the tragedy of this attack by the Labor Party. On the basis of one email, they have sought to launch an attack and to make serious accusations about a conspiracy to defraud the Commonwealth; a conspiracy between my department, my office, and Wyong council. In the process, they have trashed the reputation of some hardworking people, particularly the officers of Wyong Shire Council. And we never hear an apology from the Labor Party when they bring these issues
into the House without the correct information, when they get the information wrong.

Mr Beazley interjecting—

The DEPUTY SPEAKER—The Leader of the Opposition has had his 20 minutes.

Mr LLOYD—The whole purpose of this attack has failed. They have not produced one skerrick of evidence of the so-called conspiracy to defraud the Commonwealth.

Ms Gillard—What about the email?

The DEPUTY SPEAKER—The member for Lalor is the Manager of Opposition Business!

Mr LLOYD—In the process they have highlighted the Labor Party’s complete lack of understanding of the needs of the broader community in Australia. They wonder why at each election they keep losing seats. I can tell you that the way this issue has run on the Central Coast is that the Central Coast is angry with the Labor Party. The Central Coast is very angry with the Labor Party because they show no understanding about the environmental concerns of the New South Wales Central Coast. We have one of the most beautiful areas anywhere in Australia. The environment, to us, is very important. We have many challenges as our population rapidly grows, and I know that the member for Dobell makes no apologies. He is a strong advocate for the work that he has done in securing not only this funding for Tumbi Creek but many other grants in his time.

Mr Kerr interjecting—

The DEPUTY SPEAKER—The member for Denison is warned!

Government member—He is the best member for Dobell ever.

Mr LLOYD—Absolutely. He is most certainly the best member for Dobell ever. He is a hardworking member, and that is why he was returned at the last election. As we go through all these issues, we listen to the Leader of the Opposition waffle on about how Tumbi Creek should not be funded.

Mr Albanese interjecting—

The DEPUTY SPEAKER—The member for Grayndler seems to not take in warnings.

Mr LLOYD—He keeps going on about the fact that Tumbi Creek does not need dredging after, in an act of God, the rains came and the silt was washed away. I just read into the Hansard a copy of a letter which made it very clear that there is still a vast amount of work to be done, work that will ensure that 18 homes will not be flooded. I am not sure if many of the members opposite have ever had communities in their own electorates flooded or seen the devastation when floodwaters go through a house. Anything we can do to ensure that those 18 homes are not flooded and that those residents are not subjected to the horrific trauma of floodwaters going through their homes is money well spent. I also want to remind the House and the Leader of the Opposition that—

Mr Albanese—Where was that in the application?

The DEPUTY SPEAKER—The member for Grayndler will remove himself from the House under standing order 94.

Mr LLOYD—with regard to this particular grant, at this stage no money has been paid. No contracts have yet been signed and there simply is no conspiracy to defraud the Commonwealth.

Mr Kerr interjecting—

The DEPUTY SPEAKER—The member for Denison will remove himself from the chamber under standing order 94.

Mr LLOYD—The advice that was provided by the department to Wyong council made it very clear that the money that was approved under this grant application had to be spent on the dredging of Tumbi Creek—
that is, on the project for which it was
granted. Those are the requirements. If there
is any surplus money—if the money is not
fully expended—then of course the money
will be returned to the Commonwealth. The
reason that the departmental advice was for-
warded to Wyong council was that there
were comments in the media by some coun-
cillors that, if all the money was now not
needed to dredge Tumbi Creek, they felt they
could redirect some of this money to other
worthwhile projects in the shire. But we
made it very clear to Wyong council that that
was not the case and that any money that was
surplus—money that was not expended on
this particular project—would be returned to
the Commonwealth.

This has been a completely failed attempt
by the new, recycled Leader of the Opposi-
tion to embarrass the government. Labor
have nothing to run on. They have no poli-
cies, they are not developing policies, they
have no direction and, most importantly, they
have no understanding of the needs of the
Australian community. They are out of touch
with the needs of the average Australian
community. That is why they keep losing
seats and, election after election, they keep
going down. They are wasting their time on
trying to embarrass the government and, at
the same time, all they are doing is embar-
rassing themselves. All they have done in the
last few days is highlight for the Australian
community that the Labor Party do not sup-
port the Regional Partnerships program.

Mr KELVIN THOMSON (Wills) (3.35
p.m.)—What has been most disappointing
about today is that the Prime Minister has
bound himself to the maladministration of
the Regional Partnerships program by Minis-
ter Kelly and Minister Lloyd. In so doing, he
has made himself party to that inadequate
piece of explanation that the Minister for
Local Government, Territories and Roads
produced when he snuck into the House at
eight o’clock last night. In particular, the
minister claimed that the member for Dobell
had announced this project on 1 July 2004,
implying that that was the first occasion on
which this had happened. In fact, that is not
true. The Daily Telegraph reported on
Wednesday, 9 June in an article by Ben
Sharkey:

... the Federal Government confirmed $680,000
had been earmarked for a dredging program.

Federal member for Dobell Ken Ticehurst yest-
day committed the money to pay for 15,000
cubic metres of spoil to be dredged and dumped
at Buttonderry Tip near Wyee under the Regional
Partnerships program.

That is very precise.

The DEPUTY SPEAKER—The member
for Dobell is out of his seat.

Mr KELVIN THOMSON—Any mem-
ber on either side of this House who pro-
gressed to go out to their electorate and prom-
ise that there was an amount of $680,000
earmarked for a particular program would go
to a minister or, in our case, to a shadow
minister, and to the Expenditure Review
Committee and would go through all those
sorts of processes; otherwise, you would run
the risk of being left high and dry. I cannot

CHAMBER
think of a single member on either side of the House who would be so bold as to simply walk out to their electorate and say their party or their government or their opposition was committed to a project without having sounded out somebody, without having sought some kind of official approval. Yet the member for Dobell told the Daily Telegraph on 8 June—it was reported on 9 June—that this $680,000 had been earmarked for a dredging program under the Regional Partnerships program. He was very specific in saying that that approval had been given. The question is, to whom did the member for Dobell talk? Did he talk to Minister Kelly? If not, did he talk to someone else?

When we asked Minister Kelly questions in the chamber today, seeking to get to this point, the Prime Minister thought better of it. He took the question and, in so doing, was party to the same sort of misleading that Minister Lloyd engaged in last night, implying that the first time this had been announced was on 1 July. What this House needs to know is the answer to this question: what conversations took place between the member for Dobell and other government personnel, such as the Minister for Veterans’ Affairs? The Prime Minister should be taking an interest in this matter. Instead of seeking to cover up for his ministers, as he did today, and accept their version of events, he should be asking himself: how did it happen that one of my members of parliament could go out and announce a Regional Partnerships program grant before the Wyong Shire Council had even met to consider the application, much less lodge the application?

Last night the minister snuck into the chamber to give what he claimed was a response to the questions raised yesterday by the opposition concerning Tumbi Creek. I want to take the House through his response in some detail. At paragraph 6 of his statement he claimed: Council’s decision to propose this project was based on detailed study by its Director of Engineering Services and after consideration and agreement by the full Council.

That is wrong. The council report released on 3 June is a preliminary report. Just three paragraphs were devoted to the selected option. The selected option was ranked third out of a number of options based on a weighting of relevant assessment factors. The selected option involved opening a new channel. The two preferred options—which were based on the preliminary assessment by the council officers, the council engineer—involving reopening a previous channel and cost half as much. All the options presented to council were, in the council officers’ own words:

... based on preliminary data, and would require further investigation to allow revision of the costs and timeframes of a selected option as much as possible.

Any selected option would therefore:
- require further investigations of the site ...  
- be subject to a full environmental assessment ...  
- require referral to the various approving authorities prior to gaining consent to proceed. ... final costs may vary by up to at least 25%.

The fact is that this is not an option which was supported by the council officers themselves. It was ranked third.

Mr Beazley interjecting—

Mr KELVIN THOMSON—Indeed, we are supporting the engineer’s view of this project. It was given a low priority by the local area consultative committee, supposedly this government’s primary provider of independent advice on the Regional Partnerships scheme. Let me quote the project officer of the Central Coast Area Consultative Committee, John Presland, who said:
There were many more projects in the pipeline that warranted consideration before that one did. Paragraph 6 of the minister’s statement last night is plain wrong. Paragraph 7 contradicts departmental advice. In his statement, Minister Lloyd said:

On 10 June the Department of Transport and Regional Services (DOTARS) received an application from Wyong Council.

His own department told the Senate that this application was first lodged on 24 June. I understand today that the department has hastily sent something off to the Senate inquiry saying, ‘Whoops, we got it wrong. It was lodged on the 10th, not the 24th.’ You have got to wonder what sort situation we have when the department is misleading a Senate inquiry on the Regional Partnerships program. Paragraph 10, as I have indicated previously, is plain wrong. The minister says:

The grant was announced by the Member for Dobell on 1 July 2004. The fact is that he was reported by the Daily Telegraph on 9 June as having committed that money and having earmarked $680,000—$748,000 when you include the GST—for a dredging program. Paragraph 13 states:

On 1 July 2004 Wyong Council lodged a revised application…

That contradicts departmental advice. The department has provided advice to the Senate regional funding inquiry that a second application was lodged by Wyong Shire Council on 11 July. No reference to this grant application is made in Wyong Shire Council minutes and a report to council on 14 July refers only to the decision at the 9 June meeting to seek $680,000 from both the Commonwealth and New South Wales governments. Similarly, paragraph 14 contradicts departmental advice concerning timing. Paragraph 17 states:

On 17 November 2004 Mr Hallett of my office sought advice from my department on the implications of the flushing of the creek. Again, that is plain wrong. Mr Hallett did not seek advice from the department on the implications of the flushing of the creek. He told the department what his expectations were. He made very clear that he required a clear statement from the department for Wyong council that the original commitment was non-negotiable. There was no question of asking there.

Paragraph 26 of the minister’s advice last night says the advice ‘would have been easily obtained by the Leader of the Opposition’. Again, that is wrong. That transcript does not contain a report by the Wyong Shire Council director of engineering; instead it is the disjointed remarks of the director accompanying a photo presentation. The report is not noted in the Wyong Shire Council minutes of 24 November. It is not known who transcribed that presentation or produced that transcript. Even worse, the statement issued by the minister last night ignores the fact that there was a direction to the department by Mr Hallett seeking to explicitly massage an outcome that suited the political interests of the member for Dobell. It said nothing about whether the minister had authorised the request and nothing about whether he had authorised the release of departmental advice by Mr Hallett to the minister, to Wyong Shire Council and to the member for Dobell. It did not deal with Mr Hallett’s warning to the member for Dobell and Wyong shire councillors that Wyong officials should keep their counsel on the true state of the creek in order to obtain the full grant. So the minister’s statement is utterly inadequate in a whole range of respects.

The Tumbi Creek reek only deepened when we came across a further email—an email from Councillor Bob Graham, Deputy
Mayor and former Liberal MP, to Kerry Yates, the general manager—saying:
Councillor Hallett is obviously playing politics with this one, I don’t want to lose any of the promised money, how do you advise we handle this?

The expression ‘Councillor Hallett’ is obviously an ironic expression—the sort of expression one might use for an interfering busybody. It makes it plain that the councillors did feel under pressure. He says, ‘I don’t want to lose any of the promised money’. I guess none of us would. So he felt under pressure from ‘Councillor Hallett’ as to how this matter was to be handled. This email, which the opposition has released today, gives the lie to those claims coming from the government that councillors and council officers were not under pressure as a result of the emails they received from Minister Lloyd’s office. It absolutely blows out of the water these claims that the council was not being put under pressure or did not feel under pressure.

Let me conclude by returning to the heart of the opposition’s allegations and our concern about what amounted to a proposal to defraud the Commonwealth—that is, the statement in the email from Mr Hallett advising the Wyong officials to keep their counsel on this matter. The minister would say nothing about it to the parliament last night, but he said on TV today that it was a poorly worded email and that the staff member had been counselled. I invite members to reflect on the concept of ‘poorly worded’. I can imagine Cain telling God, ‘You know what I said about Abel—am I my brother’s keeper?—well, that was poorly worded; I could have done better.’ Poorly worded might be Arnold Schwarzenegger saying, ‘Gay marriage is something that should be between a man and a woman.’ That is poorly worded. What we have here is something which is poorly worded because it has exposed an adviser in Minister Lloyd’s office who would stop at nothing to make sure this grant proceeded—one with a manic determination to get his own way over this grant. Andrew Peacock once said that about Malcolm Fraser; perhaps that was poorly worded too.

If this Prime Minister’s ministerial code of conduct is to mean anything—and it has become a joke and a laughing stock over the last six years, rusting away in some little shed at the back of the Lodge—it is time he took that ministerial code of conduct out and used it. Ministerial standards have now fallen so low that a ministerial adviser who urges that information be withheld from his own department in order that taxpayers’ funds can be spent, whether they are needed or not, is just counselled. It is hard to imagine a time when standards of ministerial accountability have ever been lower. I can assure those opposite that the opposition will continue to pursue this and the other regional rorts—and they are legion—over the coming weeks and months to ensure that proper public accountability for the expenditure of taxpayers’ money is returned to this nation.

Mr ABBOTT (Warringah—Minister for Health and Ageing) (3.50 p.m.)—I say to the member for Wills that if he wants to spend weeks and months pursuing the government over this program, let him do it because he will find that this program has been properly administered—and every day, every week and every month that this opposition spends on this topic is a day, a week or a month in which it neglects the real task of an opposition, which is trying to come up with the policies and the programs that the Australian people want for the peace, order and good government of this country. The fundamental flaw with everything which has been said by members opposite in this debate is that if this grant was so outrageous, so wrong, so terrible and so misconceived then why did Labor
support it? Labor supported precisely the same project, precisely the same grant that this government has promised to make under appropriate conditions. I remind the rather noisy member for Lalor that Labor’s candidate for Dobell, David Mehan, said that Labor would fund the dredging of Tumbi Creek with a commitment of $1.3 million to continue the project. That is $1.3 million which the Labor Party would have us believe now was misguided, wrong and unnecessary. But Labor supported it.

The real story today is not that the government has been effectively and credibly accused of some wrongdoing; the real story today is that the Leader of the Opposition has backed down completely from the accusations that he made yesterday. Let me just remind the House of what the Leader of the Opposition sought to censure the Minister for Local Government, Territories and Roads for yesterday:

1) blatantly breaching his duty to act honestly—that is what he said—
2) seeking to defraud the Commonwealth—that is what he said—
3) conspiring with others to defraud the Commonwealth...

So in this parliament yesterday the Leader of the Opposition came into this House and accused this minister of committing crimes. That is what he did. What does he do today? He comes in and there is no talk about dishonesty, defrauding or conspiracy. What he does today is that he censures the minister for roads for:

1) failing to abide by the ministerial code of conduct—
   no evidence—
2) failing to give any full and satisfactory explanation of his conduct—
   the minister for roads has been on just about every television and radio program, and he has been on his feet for fully half an hour today explaining himself—

3) failing to disclose documents relevant to the Tumbi Creek affair—
   well it has rained documents, thanks to the minister for roads tabling documents; and—

4) putting grossly improper pressure—it is alleged—
   on others to cover up facts...

Why is it that yesterday’s criminal conspiracy was converted today into a mere failure to abide by the ministerial code of conduct? I will tell you why this happened—because yesterday the Leader of the Opposition’s own colleague the member for Denison, Duncan Kerr SC—senior counsel, learned in the law—completely destroyed the Leader of the Opposition’s case that there had been some dishonest criminal conspiracy to defraud the Commonwealth. Let me remind the House of what the member for Denison, Duncan Kerr—senior counsel, learned in the law—said yesterday:

Plainly, were these facts to be established as we understand them—in a debate such as this we can only hypothesise rather than make direct allegations...

He knew—this senior lawyer—

The DEPUTY SPEAKER (Hon. I.R. Causley)—I remind the Leader of the House to refer to members by their seat.

Mr ABBOTT—that what his leader had been saying was complete nonsense, absolutely unsubstantiated by any real evidence. So what we have had today is the face-saving censure. This is the censure that we had to have today, not because there was any new evidence. There was only yesterday’s evidence—and yesterday’s evidence, as the member for Denison has made clear, never sustained the charges which the Leader of the Opposition was foolish enough to make and for which he should apologise. What we
have today is simply a face-saving censure from the recycled Leader of the Opposition to justify the huffing and the puffing yesterday not justified by any new facts or any real argument.

Let us come to the core of the opposition’s case here. The opposition claims that this project funding was announced before it was actually made. This is the essential dishonesty at the heart of the opposition’s case. As the Leader of the Opposition must have known yesterday, the member for Dobell made no such announcement on 8 June. The member for Dobell’s press release of 8 June simply stated that he was seeking to have the government provide funding and that he would support an application for funding.

Mr Lloyd interjecting—

Mr ABBOTT—And, yes, he said that funding of this type was potentially available under the Regional Partnerships program—as it quite properly is. All he did was quite properly say, as any good local member would, that, if the council put in a grant to the appropriate program, he, the local member, would be only too happy to support it. Just to make it crystal clear, I table the press release of 8 June from the member for Dobell.

Having dealt with that claim, let me now deal with the claim that the email from Mr Hallett somehow constituted a conspiracy to defraud the Commonwealth. There is no doubt that the email from Mr Hallett could have been better worded. There is no doubt that the covering email that Mr Hallett sent was poorly worded. But the fact is that Mr Hallett’s email attached the department’s advice, and the department’s advice explained precisely what had to be done in order for this grant to go ahead. It explained exactly what Wyong council had to do in order for the grant, as announced, to go ahead. And it said that if the project did not go ahead there would be no money and that if the project went ahead in a different form and cost less there would be a reduction in money. It was a perfectly reasonable thing for Mr Hallett to provide to the Wyong council. The mere fact that there was inappropriate or poor wording of the covering email is no reason whatsoever to dispense with the services of this fine minister, who has been a marvellous servant of the people of Robertson and a fine minister of the Crown.

The final point that members opposite have made is that this proposal is to pay for something which no longer needs to be done. The Leader of the Opposition has come in here time and time again and said that the mouth of Tumbi Creek is open. The only mouth that is open is that of the Leader of the Opposition. It is a mouth that is open too often for his own good. Let me make it absolutely crystal clear to members opposite that the mouth of Tumbi Creek is not open. The mouth of Tumbi Creek does require further work. A statement by Mr Kerry Yates, the General Manager of Wyong Shire Council, says:

Both the professional staff and I continue to stand by the reports and recommendations submitted to Council in respect of Tumbi Creek. As the Director of Engineering Services’ report late last year pointed out, the October storm flushed out approximately 1,000 m3 of silt—1,000 cubic metres of silt; that was what was flushed out by the October storm—but the bulk of the material that needs to be removed (approximately 14,000 m3) remains in place.

Let me make it absolutely crystal clear to the Leader of the Opposition: the mouth of Tumbi Creek is not open. It is blocked by 14,000 cubic metres of silt, and that is precisely why, should Wyong council conclude the arrangement proposed, this remains a perfectly appropriate subject for the Regional Partnerships program.
What we have here and what we have had for the last two days from members opposite is occupational therapy—occupational therapy for an angry and irrelevant opposition. What we have had now over the last couple of days is the Leader of the Opposition back in his comfort zone. Here he is coming into this parliament with his high-pitched histrionics about rorts, not tackling the hard work, not making the difficult decisions that effective leaders of the opposition and credible alternative prime ministers must make.

If the Leader of the Opposition were serious about demonstrating to the Australian people that he is different now from the man who has been comprehensively rejected by the Australian people twice, and by his own party twice, he would be doing the hard yards of demonstrating just what it is that the Australian Labor Party stands for and just who it represents. He would be sorting out where it stands on Medicare Gold; he would be having that difficult discussion with the member for Lalor. He would be sorting out his frontbench. He would be welcoming the member for Melbourne and the member for Canberra back onto his frontbench. But he is not doing that. He is back in his comfort zone, running around this parliament making speeches, making smears, making the kind of accusations that he simply cannot back up with evidence.

Let me just remind this House to judge the Leader of the Opposition not on what he says now but on what he did when he was in government. In this parliament today, he wants to parade as the nation’s chief rort buster. That is how he wants to parade himself. I remind the House of what happened back in 1983, when he was the Acting Special Minister of State. Who was responsible for trying to ensure that Senator Mal Colston repaid $6,000 in rorted travel allowance? Who got departmental advice recommending that this matter be referred to the police? None other than the member for Brand, who protected this rort, who protected a rorter and who failed to refer the matter of former Senator Colston to the Australian Federal Police as he had been told.

The Leader of the Opposition says that he is hostile to rorts. He says that he is going to do his best to hold this government to account. If he is really so concerned about rorts, what about the daddy of them all? What about the rolled gold rip-off? What about the greatest rort ever perpetrated in the history of this country, not for the benefit of an electorate or for the benefit of the people of Australia but for the benefit of the Australian Labor Party itself—a rort for the benefit of the Australian Labor Party itself. Why would he be concerned about that rort when it is delivering some $3 million a year in ill-gotten gains into the coffers of the Australian Labor Party? Why would he want to take action against the rort? Let us face it: he was on the national executive of the Australian Labor Party at the time they did the deal. He is one of the authors of the rent rort rip-off.

This Leader of the Opposition has a big job ahead of him. He has to demonstrate that he has changed. He has to demonstrate that he is different. He has to demonstrate that he is different now from the minister for employment who gave us 11 per cent unemployment, the minister for telecommunications who gave us the $4 billion waste of duplicated cable roll-out, the minister for defence who gave us the dud sub and the finance minister who gave us $23 billion of accumulated deficit. That is what he has to demonstrate instead of coming into this parliament with this pumped up charge which even the member for Denison knows has no substance and no foundation whatsoever.

Question put:

That the motion (Mr Beazley’s) be agreed to.
Thursday, 10 February 2005

The House divided. [4.05 p.m.]

(The Speaker—Hon. David Hawker)

Ayes…………… 53
Noes…………… 82

Majority……… 29

AYES

Adams, D.G.H. Beazley, K.C. Haase, B.W. Hardgrave, G.D.
Bevis, A.R. Burke, A.S. Hartsuyker, L. Henry, S.
Byrne, A.M. Corcoran, A.K. Hockey, J.B. Howard, J.W.
Crean, S.F. Danby, M. * Hull, K.E. Hunt, G.A.
Elliot, J. Ellis, A.L. Jensen, D. Johnson, M.A.
Ellis, K. Emerson, C.A. Jull, D.F. Keenan, M.
Ferguson, L.D.T. Ferguson, M.J. Kelly, D.M. Kelly, J.M.
Garrett, P. Georganas, S. Laming, A. Ley, S.P.
George, J. Gifford, S.W. Lindsay, P.J. Lloyd, J.E.
Gillard, J.E. Giereson, S.J. Macfarlane, I.E. Markus, L.
Griffin, A.P. Hall, J.G. * May, M.A. McArthur, S.*
Hatton, M.J. Hoare, K.J. McGauran, P.J. Moylan, J. E.
Irwin, J. Jenkins, H.A. Nairn, G.R. Nelson, B.J.
King, C.F. Jenkins, H.A. Neville, P.C. * Panopoulos, S.
Livermore, K.F. Lawrence, C.M. Pearce, C.J. Prosser, G.D.
McClelland, R.B. Macklin, J.L. Pyne, C. Randall, D.J.
Melham, D. McMullan, R.F. Richardson, K. Robb, A.
O’Connor, B.P. Murphy, J. P. Ruddock, P.M. Schultz, A.
Owens, J. O’Connor, G.M. Scott, B.C. Secker, P.D.
Quick, H.V. Price, L.R.S. Slipper, P.N. Smith, A.D.H.
Roxon, N.L. Rudd, K.M. Somlyay, A.M. Southcott, A.J.
Sawford, R.W. Sercombe, R.C.G. Thompson, C.P. Ticehurst, K.V.
Swan, W.M. Tanner, L. Tuckey, C.W. Turnbull, M.
Thomson, K.J. Vamvakianou, M. Vaile, M.A.J. Vale, D.S.
Wilkie, K. * denotes teller

Washer, M.J. Wood, J.

Question negatived.

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

PERSONAL EXPLANATIONS

Mr BEAZLEY (Brand—Leader of the Opposition) (4.14 p.m.)—Mr Speaker, I wish to make a personal explanation.

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

Mr BEAZLEY—Very grievously.

The SPEAKER—Please proceed.

Mr BEAZLEY—In the course of the previous debate the Leader of the House suggested that, as a member of the national executive, I had given consideration to the matter of Centenary House when it was before the executive. As the minister knows very well, all ministers were excluded from all considerations of anything relating to
property with respect to Centenary House and all deliberations of the national executive. There have been two royal commissions, at vast expense to the taxpayer, which have proved the point.

QUESTIONS TO THE SPEAKER
Minister for Local Government, Territories and Roads

Ms GILLARD (4.15 p.m.)—Mr Speaker, I require some guidance from you about the obligation of members to correct the parliamentary record at the earliest opportunity. My attention has been drawn to a letter from the Department of Transport and Regional Services that was tabled at a Senate committee at 12.53 p.m. today. It relates to the version of events put on the record by the Minister for Local Government, Territories and Roads last night. It contradicts in part that version of events, and the minister has not used a parliamentary opportunity to correct the record. I think the minister could benefit from a clarification of the nature of his obligation and correct the record now.

The SPEAKER—I thank the Manager of Opposition Business. I will make further inquiries.

Parliament House: Nurses’ Centre

Mr PRICE (4.16 p.m.)—Mr Speaker, has there been a review of the nursing station? Have any of the roles of the nurses at the nursing station changed? Can you assure those honourable members who need to use the nursing station, as I did late last year, that the same standard of excellent service will continue to be provided not only for members but for other people who work in the House?

The SPEAKER—I thank the Chief Opposition Whip and I will make some enquiries and get back to him.

DEPARTMENT OF PARLIAMENTARY SERVICES: HANSARD

The SPEAKER (4.16 p.m.)—Further to my answer yesterday to the honourable member for Perth on the provision of Proof Hansard, I advise the House that the President of the Senate and I have asked the Secretary of the Department of Parliamentary Services to write to all members and senators asking whether they want to still receive a paper copy of the daily Proof Hansard on an opt-in basis or whether they want to choose to print it out, including instructions on how to do that. We expect that a significant number will be content with using the electronic version. I confirm that the President and I have decided to cease the printing of the official weekly Hansard and are reviewing the production of bound volumes. I confirm also that we have decided to limit the provision of paper copies of the daily Proof Hansard to the parliamentary departments. This will be restricted to a number of copies to be determined by each clerk at a run-on cost.

Mr Melham—Mr Speaker, in view of your comment that you are reviewing the production of bound volumes of Hansard, I respectfully draw your attention to the fact that it is my understanding that the bound volumes are the only volumes that attract privilege in relation to publication for this place and that there will be ramifications if the bound volumes are discontinued.

The SPEAKER—I thank the member for Banks and I will further investigate the points that he raised.

AUDITOR-GENERAL’S REPORTS
Report No. 26 of 2004-05

The SPEAKER—I present the Auditor-General’s Audit report No. 26 of 2004-05 entitled Performance audit—measuring the efficiency and effectiveness of e-government.
Ordered that the report be made a parliamentary paper.

**DOCUMENTS**

Mr ABBOTT (Warringah—Leader of the House) (4.18 p.m.)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings*.

**MATTERS OF PUBLIC IMPORTANCE**

Regional Services: Program Funding

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

The maladministration of $1.5 million in Regional Partnerships money to dredge the mouth of the Tumbi Creek.

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

Ms Gillard—On a point of order, Mr Speaker: it is my understanding that, in view of the time, an agreement was reached between the whips relating to this matter given that the censure motion canvassed the same ambit. It was my understanding that the Leader of the House might take the relevant steps to move to the next business.

Mr ABBOTT (Warringah—Leader of the House) (4.19 p.m.)—I move:

That the business of the day be called on.
Question agreed to.

**WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL REFORM) BILL 2004**

Second Reading

Debate resumed.

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

Mr SLIPPER (Fisher) (4.20 p.m.)—As I was saying before I was rudely interrupted by question time, we have this interesting situation where the opposition is endeavouring to compel the government to break a promise made to the Australian people. We are facing the very grave situation where the opposition is endeavouring once again to force the government of Australia to break an election promise. One would have thought that, since the Australian people spoke clearly and loudly at the last election, the opposition would want the government to deliver all of its promises in full and on time to keep faith with the Australian people. As I said prior to question time, the unfair dismissals law has been the subject of attempted amendment on 41 occasions since the government was elected in 1996. On 41 occasions the Australian Labor Party has voted against reform, and in doing so continues to condemn many people to a position in the dole queue rather than allowing them to get a foot on the employment ladder.

The Workplace Relations Amendment (Fair Dismissal Reform) Bill 2004 amends the Workplace Relations Act 1996 to prevent unfair dismissal provisions from applying to businesses with fewer than 20 employees. The government recognises that this bill introduces very substantial benefits for the community and gives job opportunities to many people who would otherwise not have the chance of getting a job. The new jobs will provide employment for many people who are currently out of work and they will open up opportunities for those who wish to change their means of employment. As we all know, when we have a higher level of employment, as this government has created
during the time it has been in office, we do have a higher level of wealth created, and that is of great benefit to the nation as a whole. I want to point out that this bill will apply only to new employees of a small business and not to existing employees. The bill will require the Australian Industrial Relations Commission to order that an unfair dismissal application be not valid if it involves a small business employer with fewer than 20 employees.

When you look at the current cost being incurred by small businesses throughout the nation as a result of Labor’s unfair dismissal laws, there is an overwhelming and compelling reason to change the law. The government’s promise to the Australian people was made on very sound grounds indeed. The current cost of small business compliance with the unfair dismissal laws has been estimated to be at least $1.3 billion per year. A 2002 study by the Melbourne Institute of Applied Economic and Social Research found that the current unfair dismissal laws are costing Australia 77,000 jobs. It must be very hard for the Australian Labor Party to look in the mirror and feel they are doing the right thing, I imagine, when they know that their inability to accept that they made a mistake in government by bringing in this legislation is actually depriving 77,000 of their fellow Australians of the opportunity to find work.

The reason this legislation is targeted to small businesses—that is, those with fewer than 20 employees—is that the current unfair dismissal laws work in a disproportionate way against these small businesses. They do not have the human resource specialists to deal with unfair dismissal regulation. In my own electorate office, time and time again we have been told that people will simply try to avoid putting on extra staff because of the various horror stories which have been told about circumstances confronting small businesses which have had to remove from the payroll someone who is simply unacceptable as an employee.

Most honourable members would be aware that the time and cost of defending a claim, even one entirely lacking in merit, can be substantial. It was interesting to note the evidence given to the Senate committee inquiring into the Workplace Relations Amendment (Fair Dismissal) Bill 2002 indicating that it costs the restaurant and catering industry on average $3,600 and around 63 hours of management time to defend an unfair dismissal claim. I think most members on both sides of the House would agree that $3,600 and 63 hours of management time are resources that most small businesses simply are unable to afford.

It is regrettable that this law has not been changed previously. It is one of the key issues raised by my constituents with me. I am particularly pleased that the government post 1 July will have a majority in the Senate. Hopefully, the promises we make to the Australian people will be able to be fully implemented without the carping negativity we have seen from the opposition in relation to this and so much other legislation.

It is interesting, now that the honourable member for Brand has been reincarnated as the Leader of the Opposition, that unfortunately he has not been able to junk the policy on the unfair dismissal laws in the same way as he made quite sensible changes by scrapping large portions of the health policy and by also scrapping their inequitable schools funding policy. This really is a test of the economic and social credibility of the Beazley led opposition. Really, they have got to ask themselves: will they agree to modernise their economic policies and encourage job creation or will they continue to accept the orders that seem to be handed down to them from the trades halls right around the
country? It is, I suppose, difficult for them to bite the hand that feeds—since 1995-96 unions have donated over $47 million to the Australian Labor Party. For too long the Labor Party has concentrated on the interests of those already in work and has neglected the importance of creating circumstances which do enable more people to get jobs. There has been, of course, a campaign of dishonesty. Ms Burrow of the ACTU claimed that, I think, five million Australians could lose their jobs if this legislation were actually carried. I think most people—even most people opposite—would agree that this is over-the-top stuff and entirely untrue.

I do respect at times some views expressed by some members of the opposition. It is well known, of course, that the honourable member for Hunter whilst shadow minister for small business admitted that his wife would have liked to have employed an extra person in her business but was fearful of the unfair dismissal laws. It was last year that the then shadow industrial relations minister, the honourable member for Rankin, was reported as admitting that he himself had felt discouraged from employing people by the threat of unfair dismissal laws and the claims flowing from those laws which were implemented by the former Hawke and Keating governments.

One of the aspects of the economy that all of us should be focusing on is the desirability of trying to give as many people a start in the work force as possible. The Labor Party has lost a number of elections. I think it is tragic that they have been unable to recognise that they are out of touch with the Australian people. This government has promised over and over again to amend the unfair dismissal laws. On 41 occasions since 1996 we have endeavoured to do so, and yet, even though the Labor Party would be aware that post 1 July they will not have a majority in the Senate along with minor parties, they are simply unprepared to accept the mandate of Australian people.

I understand that the Minister for Local Government, Territories and Roads wishes to make a statement. I therefore seek leave to continue my remarks later.

Leave granted; debate adjourned.

MINISTER FOR LOCAL GOVERNMENT, TERRITORIES AND ROADS

Mr Lloyd (Robertson—Minister for Local Government, Territories and Roads) (4.29 p.m.)—Further to a point of order that was raised by the Manager of Opposition Business, it has come to my attention that a letter was given to me from my secretary, Michael Taylor, which amended some details that I provided in my statement last night, and I table a revised statement which corrects the record.

ADJOURNMENT

The SPEAKER—Order! It being 4.30 p.m., I propose the question:

That the House do now adjourn.

Waratah Shield

Ms Annette Ellis (Canberra) (4.30 p.m.)—I would like to use my time this evening to bring to the attention of the House an injustice that has been committed against Canberra schools, namely their exclusion from the New South Wales Waratah Shield rugby competition. The Waratah Shield is the premier schoolboys rugby competition in Australia. Players like Roff, Gregan and Giteau are just some of the many great players who first demonstrated their talents competing for the shield against New South Wales teams.

In the past 21 years, St Edmund’s College has won the Waratah Shield no fewer than 14 times, including the last eight years in a row. Of the remaining seven years, Marist College has received the shield three times, with the
Scots, Oakhill, St Stanislaus and St Patrick’s colleges winning the competition for New South Wales in the remaining four years. While all Canberrans can be proud of our students’ achievements, and many senior members of New South Wales Schools Rugby Union see the advantage of playing against such talented teams, there are those who seem to want to curb the quality of the competition to appease their own egos.

When St Edmund’s College beat Randwick Boys High School in last year’s Waratah Shield final, it appears that they raised the ire of some members of the New South Wales rugby fraternity. Despite New South Wales Schools Rugby Union voting to keep the ACT schools in the New South Wales competition, some of the smaller minds on the Combined High Schools Waratah Shield Committee were so determined to stop St Edmund’s taking a 15th shield that they voted to kick all ACT schools out of the competition.

Contained in an article in the *Canberra Times* Sunday edition published on 6 February this year, titled ‘The Road to Exclusion’, were the following milestones. In April 2004 New South Wales Schools Rugby Union asked ACT schools to ‘show cause’ as to why they should stay in the Waratah Shield competition. On 13 September St Edmund’s College beat Randwick Boys High to win their 14th Waratah Shield. Two months later, on 14 November, New South Wales Schools Rugby Union voted to keep the ACT schools in the New South Wales competition. In January this year the Combined High Schools Waratah Shield Committee decided that they were a higher power than New South Wales Schools Rugby Union with the right to change the structure of the competition. On 24 January, New South Wales Schools Rugby Union informed ACT Schools Rugby that the Waratah Shield committee planned to move to exclude the ACT schools. The motion to exclude Canberra schools from playing in future Waratah Shield competitions was passed four to one on 4 February 2005.

Since then there has been a chorus of protest from within the ACT and NSW. While I would expect the ACT schools to voice their discontent about the decision, as they rightly should and want to, it is especially encouraging to hear that some of the more level heads within New South Wales Schools Rugby Union, as well as many past players, have called for the reinstatement of ACT schools in the Waratah Shield competition. The President of New South Wales Schools Rugby Union, Colin Murray, and the New South Wales Schools Rugby Union delegate on the Waratah Shield committee, Geoff Melville, both deserve special praise for their support for the inclusion of Canberra’s teams.

To exclude Canberra’s teams for winning too much does not just smack of jealousy; it sends the wrong message to every school student in Australia. St Edmund’s and Marist are not the only Canberra colleges in the Waratah Shield. The New South Wales teams list comprises more names than Scotts, Oakhill, St Stanislaus and St Patrick’s colleges. Many colleges that will never be named as Waratah Shield winners still benefit greatly from their participation in the competition.

The Waratah Shield presents an opportunity for students to play in the best school-boys rugby competition in Australia. The bonds of friendship and good-natured rivalries that are formed through competition will stay with these boys for the rest of their lives. Taking a successful club out of the competition cheapens the experience in ways that cannot be easily measured. The removal of a high-standard competitor degrades the competitive experience for everyone. Kick-
ing a team out for winning sends the wrong message that a team name etched in the tin holds more significance than the experience of playing with the best. I implore the members of the Waratah Shield committee to remind themselves of their own experiences playing rugby at school and to think about the experiences that will be denied the next generation of players if they do not reverse their decision.

**Indian Ocean Tsunami**

Mr BAIRD (Cook) (4.34 p.m.)—The tsunami which struck Asia on Boxing Day was a catastrophe of great proportion, causing a loss of life in the areas it struck that is at once unimaginable and inconceivable. I understand that the death toll was recently increased to nearly 300,000 people. Much has been reported in the media and in this House about the significant ongoing effects of this tragedy, and I do not mean to restate these here today. Much has also been said in praise of the Australian people and the members of this parliament for the comprehensive and generous aid that individuals, corporations and the government have provided.

I do, however, wish to advise the House of some of the actions of people within my electorate of Cook, who have banded together to raise a significant amount of money and goods to support our friends and neighbours in this region. Many of those present would have seen reports of a couple from Cronulla, within my electorate, Les and Dianne Boardman, who were in Phuket when the tsunami struck. Les and Dianne were hit by the wave, with Les battered into a pole which he was able to cling to, while Dianne was wedged beneath a car and was extremely lucky to survive.

When they returned, they decided that they wanted to do something to help the people of Phuket in the wake of the tragedy, and they organised a committee to assist them with this. This committee has, to date, raised more than $60,000, which, with the help of AusAID, will be donated directly to the Phuket hospital. They hope that this aid will help the hospital to upgrade its facilities, and I commend them on their selfless determination to repay the hospital staff for their care in the days following the tsunami.

I would also like to commend the members of the committee who helped with this massive undertaking. First and foremost, I would like to thank Glenn Wheeler, a shire resident of long standing and a former talkback host on Radio 2GB in Sydney. Glenn dedicated his all in the month following the tsunami to maximise the fundraising efforts. Similarly, I would like to commend Paul and John Dengnan and their team from the Sutherland shire Lions clubs, as well as Richard and Kathy Mason, Trevor Brown and their team from the Rotary clubs of the Sutherland shire. On top of this, Barry Pierce and the Cronulla Sharks Leagues Club and Pat Jones and the ladies of the Cronulla golf club must be thanked for their donation of venues, food and wine for upcoming fundraising events which we have on the program.

I would also like to make special mention of the restaurants at Cronulla who so generously donated all the takings for a special night to the Sutherland Shire Tsunami Appeal: Feast, Bella Costa, Cafe Mons, Stonefish, Opah and Oceana. As well as the restaurateurs donating their venues, special tribute must be paid to the staff, many of whom are young people, who donated their wages for the evening to the fund. In addition to this, I wish to recognise the suppliers who donated the food and beverages free of charge.

Sutherland Shire Council and its mayor and general manager must also be recognised. A matter of days after the tsunami, the Mayor, Councillor Kevin Schreiber, announced that council would donate $100,000
to the victims. The council has been instrumental in assisting the fundraising efforts, allowing the appeal to collect at council events, including the Opera on the Beach on Australia Day.

Some of the corporations in my electorate or with a connection to my electorate were also amazingly generous, with Toyota’s Rob Gooch donating a car to be raffled and Qantas Airways and Gulf Air donating flights to be auctioned. In addition, we would like to thank Northey’s pub for raising $56,000 from patrons at the hotel, which was again a significant event. I was there when the cheque was passed to World Vision.

Finally, I would like to pay homage to the Bundeena community. Bundeena is a beautiful town within the national park. The community there, led by Kath Harrigan, took the initiative to organise a massive clothing appeal. Kath was helped by Barbara Smith; Margaret Roland; Cherry Tiffany; Margaret McKenzie; Kathy Winn; Tracy Curtin; Peter Shanahan; Jeremy Curtin; Andrew Curtin; Emily Ven and her two young friends; Jane Misfud; Ken Morn; Paul McLeay, the Labor state member; and Mr Michael Tynan, the owner of Tynan Motors and member of the NRMA Board, who donated trucks to deliver these clothes.

I was touched by the generosity and commitment of all the people I have named and the others who have assisted. Many connected with the Sharks football team were involved. Australia’s response to our friends in other nations has been outstanding and should be a matter of quiet pride to each Australian. I am especially proud that the residents of the Sutherland shire reacted in such a generous fashion.

**Lowe Electorate: Aircraft Noise**

Mr MURPHY (Lowe) (4.39 p.m.)—Mr Speaker, I am outraged by the arrogance displayed by the Deputy Prime Minister and Minister for Transport and Regional Services in his continued refusal to respond honestly to my repeated questions on behalf of my constituents affected by an unfair burden of aircraft noise. You would be aware of my numerous questions regarding aircraft noise affecting many suburbs in my electorate of Lowe and the government’s betrayal of my constituents on the issue through the sale of Sydney (Kingsford Smith) Airport.

On 17 November last year, the week this new parliament began, I asked the Deputy Prime Minister and Minister for Transport and Regional Services more questions in writing concerning aircraft movements to the north of Sydney airport being near double that of targeted movements as prescribed by the Sydney Airport Long Term Operating Plan. On 8 February 2005, *Hansard* records the minister’s reply to my question in writing No. 30. He said:

I have dealt with these matters exhaustively in response to questions previously asked by the Honourable Member.

I have witnessed this minister using this line in relation to aircraft noise, asserting—in a most arrogant and dishonest way—that he has previously dealt with my questions in writing comprehensively and exhaustively, when clearly this is untrue. The truth is that total aircraft movements to the north of Sydney airport and over the electorate of Lowe and other electorates to the north continue to reach in excess of 30 per cent, nearly double the long-term operating plan target of 17 per cent air traffic movements to the north.

My constituents understand that the Deputy Prime Minister believes aircraft noise is a nonissue. It is increasingly clear that he could not care less for the people in Concord, Croydon Park, Drummoyne, Five Dock, Haberfield and many other suburbs—I could go on and on—who continue to suffer an unfair burden of aircraft noise, a burden the
Howard government promised to ease by their commitment to guarantee the long-term operating plan target of 17 per cent of movements to the north.

Mr Speaker, the *Sydney airport operational statistics December 2004* report, issued by Airservices Australia, records the latest movements for the north of Sydney airport for December 2004 at almost 30 per cent. That fact is indisputable, and the minister and the government should be listening to the concerns of my constituents. I am happy to give the minister the latest example of a constituent’s anger and frustration. On 27 January this year, I received an email from a constituent who lives in Drummoyne. He told me, inter alia:

I wrote to the Prime Minister about the appalling conditions we in Drummoyne (all others in the path as well) had to endure over Christmas and New Year. The jets started at 6:00am on Christmas Day and didn’t stop until 11:00am ten or twelve days later ... it was unbearable and all my neighbours were as angry as hell. The Government response was very detailed. What offended me was the fact that the Government claimed the present level of traffic over the northern approach was now a good 44 per cent compared to the poor circumstances back in 1995. What a damn insult ... Mr Murphy, I am sure you get my drift ... so hope you will continue to fight ...

Mr Speaker, you and my constituents can be sure I will continue the fight. Aircraft noise in Sydney’s inner west remains one of the major environmental issues confronting Sydney. It is a chronic environmental problem, aggravated by the government’s greedy sale of Sydney airport before the government had solved, fairly, the aircraft noise problems associated with Sydney airport. Tragically, following the sale of Sydney airport, my electorate can expect an ever-increasing, massive amount of aircraft noise over the next 20 years.

As I said earlier, I am outraged by the minister’s refusal to force Airservices Australia to reduce air traffic movements to the north of Sydney to 17 per cent, as promised by this government. The minister has shown that he simply cannot say sorry for the fact that he has failed in his most fundamental responsibility to the constituents of Lowe, whom I represent, and to other residents living under the flight paths in Sydney. We all suffer from this flagrant denial of responsibility. In concluding, I remind the minister that I will not stop pursuing him until he honours his commitment to the people I represent.

**Barker Electorate: Wine Industry**

Mr SECKER (Barker) (4.44 p.m.)—Mr Speaker, being in my neighbouring electorate you would know of all the wonderful wineries I have the privilege to represent. I represent Coonawarra just across the border from you. I represent the Padthaway area, the Wrattonbully, the Mount Benson area, the Lower Murray, the Barossa and the Riverland. I have the privilege and pleasure to represent all those famous names in those areas. I represent 40 per cent of Australia’s winegrowing areas and wineries and over 80 per cent of Australia’s wine crush. Many grapes are shipped into the area of the Barossa for their crushing. It is a great privilege, but they are going through some hard times. When I went to the 2001 election I said against advice that I wanted to do something about the WET. I was told by so many people, including the Treasurer, that I had not much hope of getting any changes to the WET, but we all know we did deliver on the WET. Over 90 per cent of Australia’s wineries no longer pay any WET, and that has certainly been very good for the wine industry.

The wine industry is very important to my electorate. We export some $1.7 billion worth of wine every year. About 10 years
ago it was virtually nothing, so you can see how much it has grown and how much it is worth to our economy. But we do have a problem with falling prices for the grape growers. In fact, it has got to a very desperate stage. I have been speaking with the Riverland Winegrape Growers Association, which is the largest grape growers association in Australia and represents some 1,200 growers. They are suffering the effects of some pretty bad prices. Mr Chris Byrne, the executive officer of the Riverland Winegrape Growers Association said that the fact that Australia’s second largest wine company is crushing growers’ grapes before finalising prices is disgraceful. He said that, if McGuigan Simeon’s board is permitted to continue with what appears to be calculated and irresponsible behaviour, growers will unfairly bear the brunt of what amounts to a restructuring of the Australian wine industry by stealth. The prices offered are up to 40 per cent less than last year and this may place a number of Riverland growers in serious financial trouble.

It is the second successive year McGuigan Simeon have tried to lower prices significantly. McGuigan have refused to negotiate and have referred growers to a third party to set prices. McGuigan Simeon have systematically abandoned the supply contract systems with growers, and their motives have now become clear. Our communities are really suffering and the industry is suffering. Politicians need to know that we will have no trouble filling halls full of people facing financial crisis and those numbers will include winemakers. Just prior to coming into the chamber, I was speaking to another grower. He cannot even get a price for his grapes. He has been told by McGuigan Simeon that they no longer want his grapes, and he does not know what he is going to do.

Mr Byrne also said that the banks should be alerted to the impact of these actions by McGuigan Simeon Wines and the inevitable domino effect on other wineries. If those tactics go unchecked, you can be sure that their competitors will follow. In fact, it is already happening. Other major wineries are hunting for uncontracted grapes and offering growers what can only be described as opportunistic prices. If that continues to happen, many independent wine-grape growers will be forced out of the industry. It is that serious. I wish to raise this very desperate situation with the parliament. (Time expired)

**Arts: Australia Council**

**Mr SAWFORD (Port Adelaide)**

When it comes to the arts and the arts community in this country, the Howard coalition government is increasingly behaving like a philistine. After the federal election, and during the Christmas period in December, unexpected announcements were made that axed the Australia Council’s Community Cultural Development Board and the New Media Arts Board. These announcements, initiated without consultation, have angered artists throughout Australia, including in my seat of Port Adelaide. Sadly the announcements appear to confuse identity with strategy and have no regard for outcome. It is a recipe for failure.

New media embraces everything from video installations to experimental work with biological specimens, and Australians working in this field are recognised internationally. Community cultural development is an experimental and less rigid art form. It is often nonconformist but it always reflects a sense of place and image of communities. Art is one of the things that define us as people. It sets us aside from all other creatures. It enables us to express the intangible. It is joy, beauty and truth, which express the trinity of life itself. It has the potential power to bring people together in common appreciation. Such unity, as you and I are acutely
aware, Mr Speaker, is a rare commodity in these times.

Many artists fear that the Howard government has lost sight of the value of art and that bureaucrats and bean counters have been put ahead of artists and communities. The diverse skills and high level of expertise and methodology amongst Australian arts workers have been refined and developed over the past 30 years, placing Australia at the forefront of community cultural development. The abolition of the Community Cultural Development Board and the New Media Arts Board puts the livelihoods of world-leading arts workers at risk, and there are arts workers who represent the most difficult and complex areas of arts practice and who are funded by the Australia Council.

The abolition is also a blow to participants in community cultural projects. Many of these people come from low-income families and have low self-esteem, due in part to unemployment or underemployment and fewer opportunities, and many are located in remote and isolated areas of Australia. Community arts participants also include people with disabilities, refugees and those with low morale adjusting to new environments and new communities. Giving these people a sense of worth through participation in community cultural development and high-quality artwork and performance should not be underestimated. Mentoring has many guises, and this is one of them.

One major problem identified by artisans is that the new structure is yet to be clearly described. In other words, they do not know what the new structure is themselves. I again say that this concentration on strategy without a coherent identity and outcomes is a recipe for disaster.

This lack of clarity in the statement put out by the Australia Council undermines both the council itself and its clients, according to artisans in my electorate of Port Adelaide. I believe they are right, for it seems that the new structure will divide current funding into small pockets within a range of ‘artform boards’ while the Director of Community Partnership would assess the ‘community partnership’ application. What is to become of peer assessment and community cultural development fellowship? The downgrading of the use of peer review to make arts funding decisions in Australia is a huge concern and will more than likely lead to many poor decisions. It is almost guaranteed.

Despite Australia Council press release assurances that there will be no reduction in the level of community cultural development work funded, the artisan community and I are certainly not convinced. There is no doubt in their minds, and in mine, that the integration of community cultural development and new media art across other art boards will both diminish the merit and the funding of these art forms. If even blind Freda or Fred can recognise that, why can’t the arts minister? I urge the government, particularly the minister, to reconsider this restructure and ensure the future of the profound arts practices of community cultural development and new media art. If he does not he will find the structure and the setting up of the current arrangements, to his great shame, will embarrass him at some time very soon in the future.

Tourism: Decipher Program Launch

FRAN BAILEY (McEwen—Minister for Small Business and Tourism) (4.54 p.m.)—I am very grateful to have this opportunity to participate in this adjournment debate this evening. The world’s fastest and largest growing industry is the tourism industry. For Australia that means that we have a $73 billion industry that today earns us more in export dollars than we earn from our exports of coal. Today we are earning over $17 billion
in export from the numbers of tourists coming to Australia to experience the unique offerings that we have. This $73 billion industry is made up of a whole range of sectors. We have got accommodation, in which we have anything from a bed and breakfast to a five-star hotel. We have different modes of transport, from the minirail that I was on at the Gold Coast Seaworld centre just last week to jumbo aircraft. Of course we also have the new A380 aircraft which will take 500-odd people to the destination of their choice at any one time.

We have a range of events, a whole range of experiences—if we look back to the Sydney Olympics, we see what a fantastic event it was and how much it generated for Australia’s tourism industry—from large sporting events to simple country fairs. People can go snow-skiing in the Alps, swimming at the Great Barrier Reef, surfing at the Gold Coast—I notice that my colleague the member for Barker has just left the chamber—and wine-tasting premium wines in the Yarra Valley. Mr Speaker, I know that you have been a great supporter of the Victorian wine industry.

All of these enterprises that make up this $73 billion industry are businesses that need assistance in many ways. Today it was my great honour to launch Decipher, an electronic program. This government has put in just in excess of $2.1 million for its development. It has been a partnership between academics from universities and industry and has involved a most enormous amount of research. What Decipher means is that if you are wanting to start a bed and breakfast in, let us say, the Upper Yarra in my electorate, you can go on to this website and find out how many bed and breakfast businesses there are, what type of existing accommodation is available, how many people visit the area, how much they spend—all the sort of information that you would need when wanting to start, or alternatively expand, a business.

The Decipher program has application for the biggest businesses within the tourism industry down to the smallest businesses. For regional businesses right throughout Australia which find it more difficult to get to forums this is going to be an absolutely fantastic boon—just like our Regional Partnerships program. Many people in my electorate and communities right around Australia have benefited from this program and I hope that they benefit from the Decipher program as well.

Regional Services: Program Funding

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans’ Affairs) (4.58 p.m.)—I would like to follow on from the very strong comments about Decipher and the Regional Partnerships program made by the Minister for Small Business and Tourism. At question time today the member for Wills asked me about my decision to approve two funding applications for Tumbi Creek. I would like to add to that answer. The environmental and social benefits of this project were clear and were reflected in the advice received from the department and informed my decisions.

I should note for completeness that I approved the second grant after noting the department’s assessment that, because of the New South Wales government not providing assistance and Wyong Shire Council not providing a further contribution, one of the criterion, that is partnership funding, was not satisfied. However, the clear benefits of this project were apparent and, accordingly, the second application received my approval.

Question agreed to.

House adjourned at 4.59 p.m.

NOTICES

The following notice was given:

Mr Price to move:
That this House expresses its concern about the international trafficking in women for sexual slavery and:

(1) recognises that women trafficked to Australia for sexual servitude are victims not criminals and should be treated by authorities as victims;

(2) calls on the Government to adopt the recommendations of the Parliamentary Joint Committee on the Australian Crime Commission’s report: *Australian Crime Commission’s response to trafficking in women for sexual servitude*;

(3) urges the Government to increase the assistance available to victims of trafficking for sexual servitude;

(4) calls on the Government to change current visa provisions so as to give adequate protection to all victims of trafficking for sexual servitude;

(5) condemns the Government for placing victims of human trafficking for sexual servitude in detention;

(6) recognises that women who have been trafficked to Australia for sexual servitude who subsequently cooperate with police are in great danger, both in Australia and, in particular, their country of origin; and

(7) notes the Government’s failure to prosecute the human traffickers.
Debate resumed from 9 February, on motion by Mrs Markus:

That the address be agreed to.

Ms HOARE (Charlton) (10.05 a.m.)—At the outset, as I try to do in the major address-in-reply debate at the beginning of the parliamentary term and in other speeches throughout the term, I acknowledge the Ngunnawal people as the traditional owners of the land that the national parliament meets on and I pay respect to the Ngunnawal elders.

Mr Deputy Speaker Causley, I congratulate you on your re-election as Deputy Speaker and, through you, I offer my congratulations to the Speaker and to the other deputy speakers on the Speaker’s panel. Thank you.

I would like to acknowledge that we lost some very good friends, colleagues and members on this side of the House after the last election. Among them is Jann McFarlane, the former member for Stirling, who was a good friend to many people on both sides of the House; Michelle O’Byrne, the former member for Bass; Sid Sidebottom, the former member for Braddon; Christian Zahra, the former member for McMillan; Con Sciacca, the former member for Bowman; Sharryn Jackson, the former member for Hasluck; David Cox, the former member for Kingston; and Martyn Evans, the former member for Bonython. As I said, they were good friends, good colleagues and good members, and they will be sorely missed. The new members who have come in on the government side in those seats have very big shoes to fill. I hope that they do the best they can, and as well as their predecessors did, for their constituencies.

I welcome all new members to this place, particularly those on our side who defeated incumbent members of the government. They include Julie Owens, the new member for Parramatta; Sharon Bird, the new member for Cunningham; Justine Elliot, the new member for Richmond; Kate Ellis, the new member for Adelaide; and the one fellow who defeated an incumbent member—Steve Georganas, the new member for Hindmarsh. They have proven to be very good colleagues and very good members in their first few months as members of parliament. I am sure that they will continue to serve their constituencies well, build up the margins in their own seats and be re-elected, hopefully with the election of a Labor government, in 2007.

I am pleased, honoured and privileged to be re-elected with an increased majority in the electorate of Charlton. I thank the electors of Charlton for their support for Labor and for our vision of opportunity for all Australians. I also give thanks for the great support from people over the course of the campaign. I thank all my friends and supporters in the Charlton electorate and members of the Labor Party. Of course, there are too many to name here, but I will name my campaign team. The team, which was led by Phil Cooke, included Sam Bride, Peter Dodd—who is a former member of this place—Peter Eckermann, Marjorie Gissane-Clark, Bernard Griffin, Terri and Barry Johnston, David Kay, Leigh Martin, Katherine McCarthy, Jack Milroy, Nicholas Mowbray and Bill Royan. I thank them all. We all know that we would
not be here if it were not for the whole team who are behind us and support us throughout the parliamentary term, and particularly during an election campaign when a lot of the hard yakka is done. Our supporters are on the ground doing the letter-boxing, handing out the how-to-vote cards, coming with us to street stalls and doing whatever is asked of them so that they can help contribute to a possible election of a Labor government.

I would also like to thank my staff—Joshua Brown, Halina Paczynski, Karen Jurd, Charmaine Burnett, Bobby Bozinovski. Three of those staffers were here for an election for the first time, so they really knew what hit them. They enjoyed it. They put in a huge effort, as all our staff always do, and I thank them for that.

Around this place we hear a lot of discussion about our families and the knocks that they take because of our life here and the time that we have to spend away from them. I would like to thank my family: my husband, Reg, my daughter, Naomi, my son, Robert, and my mum and dad.

I would also like to express my thanks to Steve Dempsey and his hardworking team at the Charlton divisional office of the AEC, which includes divisional assistant Loreto Small, the divisional clerk Belinda Bennett as well as the rest of the team: Micheal Cuneen, Belinda Barnes, Roslyn Ford, Judy Cawley, Peter Orre, Robyn Turner and Graeme Turnbull. Stephen and his staff were diligent, impartial and a model of committed public service. The result in Charlton demonstrates the electorate’s continued support of me as its elected representative and of the general policies and core philosophy of the Australian Labor Party. I thank them all for being a part of that over the last three years. I am very proud to have been part of Labor’s campaign and I will continue to pursue the issues that I believe are important to our community.

While I was pleased with our local result, the national result and the re-election of John Howard as Prime Minister have left me and many other Australians devastated and with a sense of deep disappointment and despair. With the unfortunate situation of the government having control of the Senate, it is inevitable that the government will sell the rest of Telstra, ramp up the attacks on workers and all but obliterate unions and implement draconian terrorism laws. Labor’s term in opposition must be dedicated to being effective in applying pressure on the government and to promoting the Australian Labor Party as the only party committed to access for all to social justice, equity, tolerance and humanitarianism. I look forward to the opportunity to continue working with and for the people of Charlton.

There are also local issues that I will continue to pursue. One of these—members would have heard me speak about this yesterday—concerns the Lake Macquarie Integrated Transport System. I will continue to pursue this issue in the parliament, both with government members and with our shadow ministers, as I have done in the past. This is a proposal for a major infrastructure development in my electorate. The Lake Macquarie council identified an urgent need for the development of a transport hub in Glendale, known as the Lake Macquarie Integrated Transport System. The project is a major infrastructure development for the Hunter region and will generate job growth, improve access to public transport and provide environmental benefits for Lake Macquarie.

**Ms Hall**—It is something you have worked very hard for.
Ms HOARE—In conjunction with my colleague the member for Shortland. In the past 10 years in excess of 1,000 new employment positions have been created in Lake Macquarie, most within the Cardiff industrial park. It is proposed that the estate be expanded and further developed. The industrial area houses major transport and manufacturing firms which provide employment and major export revenue for Australia. However, businesses are hindered by inefficient road links to the F3 freeway, and Lake Macquarie council’s proposed transport strategy should alleviate this problem.

Since before my election in 1998 I have continued to lobby the Commonwealth to participate in a whole-of-government approach to the centre. My approaches have been repeatedly refused by various coalition government members. There has been ongoing consultation and discussion concerning transport infrastructure in the Hunter region, and there will continue to be so over the years. I encourage the Commonwealth to become a part of those discussions. I also put our shadow minister for regional development and roads, Kelvin Thomson, on notice that I will continue to knock on his door and hound him, as I hounded his predecessors, on the virtues—economic and social—of providing Commonwealth support for this major project.

Another important local issue—not unrelated to, and geographically close to, Glendale—is the future remediation and future use of the closed Pasminco smelter site at Cockle Creek. Members would be aware that the Cockle Creek smelter in my electorate closed in September 2003, leaving hundreds of workers without a job and leaving a huge site contaminated by lead from over a century of smelting. The position currently is that a $6 million demolition plan has been submitted to Lake Macquarie City Council. The former lead and zinc smelter was a key part of life in Boolaroo, and it will now be levelled to the concrete slabs below the landmark buildings on the site. The site itself is close to the Cardiff industrial area and it has been earmarked for light industrial use. If the plan goes ahead for industry to be constructed on this site, the aim is to create an extra 7,200 jobs in the area by the year 2020, taking the employment in that whole region to 21,000.

Just recently, there has been a debate about the heritage value of the site. People might remember, when the BHP plant closed, the discussion about various heritage aspects being kept on the site to maintain its significance to the industry in our region over the last century. It has been publicised that the buildings at the Pasminco smelter would be removed piece by piece to minimise lead dust pollution. However, the old lab has been identified as having significant heritage value and there needs to be some discussion about how the heritage items are going to be preserved.

The Newcastle Industrial Heritage Association president, Victor Cattaneo, who is also a good friend of mine, said his association has worked with Pasminco to assess heritage issues on the site and has already identified several hundred important relics that should be preserved. We are not saying that they need to be preserved on the site to stop any further use of the site; they just need to be preserved. I encourage all parties in these discussions to work together to pursue positive outcomes for employment, the environment and our heritage in this area.

In our region, a skills shortage is another stark challenge we face. As with the Pasminco site, if there is going to be a light industrial area we need to have the qualified tradespeople with the appropriate skills to be able to fill the over 7,000 jobs that are going to be created. We do not believe that some technical schools scattered around the country are going to do it.
We already have the infrastructure in place with the TAFE system, and that is what we need to invest Commonwealth funding into, and also into more vocational training in high schools.

The vacancies for skilled tradespeople have increased by over 50 per cent over the last three years. These figures reveal a large increase in demand for skilled workers in key areas, including the metal trades, automotive, electrical and construction industries, and particularly in the Newcastle-Lake Macquarie region. This increase in skilled vacancies is clear evidence that the Howard government has been dragging its feet while a severe skills shortage has developed on its watch. The Howard government’s belated and half-hearted response to Australia’s skills crisis is a handful of technical colleges that will not be fully in place for other four years and will do nothing to help Australian businesses that are crying out for more skilled workers now.

Instead of wasting millions of dollars in duplicating the TAFE system, the government should act to address the urgent skills shortages now, fund our TAFEs properly and get more young people into apprenticeships in areas of skills shortage. Australian businesses cannot afford to wait another four years; they need skilled workers now. In our region, we have many good business, union and community leaders proactively seeking innovative methods of attracting young people into trades. For too long, if young people were to leave school in year 10 or complete year 12 but not go on to university, they were encouraged into the so-called ‘sexy’ trades and traineehips in the hospitality and IT industries. We are not saying that we should not be encouraging that, but we should also be encouraging young people to go into the metal, electrical and carpentry trades. I, for one, know that I will be encouraging one of my children into that area if he so wishes because I know that he would have a good, strong career ahead of him, particularly in our region.

It is only the first week of parliament for 2005, and the third week of the parliament’s sittings since the 2004 election, and we have already seen two broken promises from this government. The first is what I believe ensured that the Howard government was re-elected—the promise that there would be no interest rate rises. The Reserve Bank has forecast that at the next round there will be an interest rate rise of about a quarter of one per cent. We all know and see around us young couples who are starting out and starting a family. They might earn $100,000 or $150,000 a year between them and they have gone out and mortgaged themselves to the eyeballs. They have bought $500,000, $600,000 or $800,000 houses. We see it in the cities all around us and in my region of Lake Macquarie. What this means is that a half, a quarter or a one per cent rise in interest rates could push these families to the wall. It could mean that they have to sell their dream homes and move into smaller homes. The promise that interest rates would not rise was the reason that these families voted for the conservative government, and now they are going to see that promise being broken as interest rates will rise.

The second promise that we have already seen broken is the $830 million election promise to force pharmaceutical companies to cut drug prices. There are indications that the government is going to water down that promise. We are yet to see the outcome of those deliberations, but we know that that will be another broken promise.

I want to congratulate Margaret Scott of Coal Point, one of my constituents in Lake Macquarie who was an Australia Day award winner, on receiving an OAM. She is very well known in our region, and my colleague the member for Shortland would know her through her interest in the health and aged services in our area. Margaret was recognised for her con-
tribute to nursing in the general health and aged care sectors over many, many years. Mar-
garet has been involved in various consultations I have had with various shadow ministers on
ways to address the health system, in particular the problems with the ageing population. I
know she was very proud and chuffed, although she thought, ‘I’ve only been doing my job.’
But she has really given a lot. I know her parents, Ruby and Ted Miller. Ruby is a very good
friend of mine. I see her down at the gym every now and then. She was so proud and very
chuffed, and Margaret’s award is also a tribute to the upbringing, the close family unit and the
support that she has had.

In conclusion, I wish good luck to all the school students for the next 12 months. To those
who are starting school for the first time in kindergarten or year 1, as it is called in some
states—it is called kindergarten in New South Wales—and to those who have progressed from
year 6 and starting high school, going from being the eldest kids in the school to being the
youngest ones, it is sometimes a traumatic time but it is also a very exciting and challenging
time. I also wish good luck to those students who left school last year and are embarking on
the next stage of their lives, whether it be a career, university or travelling for 12 months, as
many young people do before they go to university.

For the years ahead Kim Beazley will be our leader, and we have a forward-thinking, for-
ward-looking team. We are on a mission: to win government at the 2007 election. We have a
promise to keep to those people who have voted for Labor over and over again, to our con-
istituents who have increased their support for us, and that is to deliver a Labor government in
2007. In the meantime, as we have seen in the last couple of days in particular, we will con-
tinue to hold the government accountable for the decisions and funding announcements that
are made, and to question the accountability and transparency of various government pro-
grams. (Time expired)

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Health and Ageing)
(10.25 a.m.)—At 8.53 p.m. on 31 August 1993 I rose for the first time in this place to speak as
the federal member for Sturt. At the age of 26, I was the youngest member of the House of
Representatives. At that time there were almost 90,000 long-term unemployed young people,
we had the most highly taxed wine industry in the world and we had a situation where the
sales tax system was impeding our exports. In the 1993 budget, we saw significant sales tax
and petrol excise increases, making life more and more difficult for the average Australian. In
1993, 43,000 young people were denied a place at university and 100,000 failed to get a place
in TAFE. The Australian Labor Party had a taxation system that disproportionately affected
lower income earners, and they increased HECS payments and accelerated the repayment
schedule on students.

In 1993 one in six people were looking for work. There were five bankruptcies every day
in South Australia. Between 450,000 and 500,000 children were living in poverty, 1.85 mil-
lion were living in relative poverty and 1.1 million were living in absolute poverty. In 1993 I
said that there were three important aims of government: to create an environment where
equality of opportunity can truly exist, to alleviate hardship and to alleviate all forms of hu-
man poverty. The federal coalition government has helped to move Australian society a long
way towards these goals.

Unemployment rates are at their lowest since the Fraser government was in power in 1976.
The Howard government has created almost 1.5 million jobs since it came into power in
1996. The youth unemployment rate has been cut by almost 40 per cent, and apprenticeships have increased more than threefold so that now over 416,000 people are involved in the New Apprenticeships scheme. Real wages have risen by 13½ per cent since 1996, compared with a measly 2½ per cent increase over the 13 years of Labor rule. Coupled with higher retention rates at high school, there has been an increase in higher education funding of almost $1 billion over 1995 levels and there will be an additional 34,000 HECS places in higher education by 2008.

Small business has been helped and will continue to be helped by the coalition government. There are 1.2 million small businesses in Australia employing 3.3 million Australians. Small business provides 80 per cent of the job growth in this country. As such, the simplified taxation system has been extended to small businesses that account on an accruals basis. Now as many as 750,000 small businesses report their business activity statement and lodge their GST payment only once a year. Most importantly, the coalition government will try to encourage the enterprise culture of Australia by introducing an entrepreneurs tax discount of 25 per cent to eligible small businesses, delivering savings of more than $900 million over the next four years. It is only through support like this that we can advance the Australian ethos of ambition, hard work and calculated risk-taking.

I have been privileged to serve the residents of Sturt in this House for nearly 12 years. In every campaign I learn a little bit more about what is important to the people of Sturt. My fourth campaign as the federal member for Sturt was as busy and productive as every other campaign that I have been involved in. Throughout the election cycle, I hold local community meetings based on the old-style town hall meetings. They provide my constituents with an opportunity to meet and discuss issues of importance to them and the community in a relaxed and friendly environment. During the campaign, I have an intense program of local community meetings which are a positive experience as I learn more about what is important to my constituents, and they have the opportunity to hear about federal government programs and receive answers to any queries that they may have.

In the lead-up to this election I developed a 10-point plan for my electorate. Each point is an issue that is of great importance to my constituents. For the recent election I focused on working with local councils to fence all playgrounds, working with the state government to create an underpass from Kensington Road to Wakefield Street at the Britannia roundabout, promoting apprenticeships and exploring the establishment of a technical high school in our area, working with local councils and the state government to establish an appropriate urban planning regime for our area, persisting with the campaign to save the Murray-Darling Basin, ensuring the eastern and north-eastern suburbs of Adelaide are well served by modern Internet access, providing for our older Australians through the development of more aged care facilities in Sturt, ensuring the gains made by self-funded retirees in the last eight years are protected and extended, and continuing to fight to preserve our local heritage.

During my local community meetings I highlighted four points of this plan. These were the fencing of playgrounds in particular local council areas, the proposed upgrade of the Britannia roundabout on the eastern outskirts of the Adelaide CBD, the re-establishment of technical colleges and the plight of the River Murray. These were all issues that clearly resonated with my constituents. As the father of three children under the age of 4½, I have noticed the lack of fencing around playgrounds in my local council area. In discussions with my friends and with
other locals in the community, it has become quite apparent that this was something that was of common concern amongst the families of my electorate.

I have become aware, like many other parents, that I would rather take my children by car to a playground in the neighbouring suburbs or into the parklands of the Adelaide CBD where playgrounds are fenced rather than take them to the unfenced areas of the eastern suburbs. The additional security offered by these fences makes them a more attractive option for many parents and grandparents. I must say that on the many visits my wife, children and I make to playgrounds in the CBD, North Adelaide and Unley, it is noticeable how many friends from the eastern suburbs are present as well, avoiding the playgrounds of the eastern suburbs.

Fences are an excellent safety addition to playgrounds for several reasons. While every parent and grandparent knows the importance of watching their children, they are also aware that when you are trying to look after several children it is very easy for one of them to escape your attention. While there has been a lowering of speed limits on local roads, many of the playgrounds in my electorate are on major roads that have much higher traffic flows and higher speed limits. It is a sad indictment on our society today that parents and grandparents are often keenly aware of who is around a playground and are particularly alert to those who may not belong. A fenced playground means that you know exactly who is there, and a person not in the company of a child raises immediate wariness. Some councils have sadly now gone to the extent of requiring adults to be in the company of a child if they enter a fenced playground. So I will be working closely with local councils in my electorate to ensure that we are providing the best protection possible for children.

Even though the Britannia roundabout, which is at the intersection of Kensington Road, Dequetteville Terrace, Fullarton Road and Wakefield Road, is on the outskirts of my electorate, it is a major intersection and feeds directly into the Sturt area. The South Australian state Labor government recently announced that traffic lights are the best solution for the intersection. I find this a miserable response for the eastern and north-eastern suburbs of Adelaide. The Rann government in 2004 announced a $43 million investment in road upgrades in the north-western suburbs of Adelaide, part of an overall $300 million investment aimed primarily at the Port Adelaide region. Yet the Premier manages to find only $8 million of funds to upgrade a major bottleneck in and out of the eastern suburbs in my electorate.

It is estimated that 10,000 drivers a day avoid the Britannia roundabout. The toll that this takes on the back streets and other major roads in my area is immeasurable. The state Labor government has released a short-term solution, one that will not allow the intersection to grow and develop, and has not been well received by the very people it will affect most. The Britannia intersection concept status report that was released in November 2003 by the South Australian state government said:

In October 2000, an underpass scheme was developed to overcome the existing operating deficiencies, but due to the high cost of this option its further consideration has been deferred to a long term possibility.

It goes on to suggest:

This report outlines the state is to provide a lower cost and interim upgrade of the intersection, which would provide a significant difference to the performance of the location for at least the next ten years.

The state government has accepted that the traffic-light solution is a short-term one. The thought that the South Australian government would upgrade the intersection in 10 years time,
as the report suggests, after $8 million has been spent, is laughable. The concept report has already been released for over one year and the initial report that considered an underpass is now more than four years old. With the actual construction of an interim solution as suggested to take some time, it will be getting close to 10 years before the current plans are even completed. Are the constituents of the eastern and north-eastern suburbs really to believe that construction will then begin again on a final long-term solution?

The interim program of the state government for traffic lights at the Britannia roundabout must be stopped—and I intend to campaign against it with the support, I hope, of the majority of my electorate—in favour of a long-term solution, an underpass from Kensington Road to Wakefield Street, in order to avoid accidents and damage and the fear that people in the eastern and north-eastern suburbs have of using that busy intersection. I intend to approach the federal government to try to secure additional funds for this intersection to allow a more feasible, forward looking solution.

I also raise the coalition government’s reintroduction of technical colleges into the education system. As we face a shortage of skilled tradespeople due partly to low unemployment, the announcement of the re-establishment of a technical college network, directly funded by the federal government and run by local communities, was warmly received in my electorate, particularly by my constituents who may remember the previous incarnation of the system in South Australia. The new technical colleges will be open to students from years 11 and 12 and they will offer students a valuable combination of technical skills as well as the traditional curriculum of English, science and mathematics. Although each school may specialise in a particular trade, each one will offer at least four different trades from commercial cookery, vehicle trades such as mechanics and repair work, engineering, electrical trades and construction. The inclusion of the traditional year 12 curriculum is important as it does not limit or disqualify technical school students from applying for university.

The technical colleges will be a collaboration of local businesses, TAFE colleges and universities, both government and non-government local schools, and local training enterprises. Establishment of the colleges will be by tender process, with funding coming directly from the federal government to be managed by the school itself. The principal of the school will have the ability to employ teaching staff on a performance basis and will be able to choose from people with real life and up-to-date technical experience. Seventy per cent of Australian school leavers do not go directly to university from high school. There has been a remarkable absence of support for those who do not wish to go to higher education institutions. Youth allowance and Austudy for the over 25-year-olds will be extended from 1 July this year to include new apprentices. This is expected to help up to 93,000 new apprentices by 2008 and 2009.

The River Murray is an integral part of South Australia. We have the Murray mouth, many of its beautiful wetlands along its course and some of the most stunning scenery, and in Adelaide we rely on this vital lifeline for 40 per cent of our drinking water. This is recognised by many South Australians but can, sadly, be underestimated by the eastern states. At several of my local community meetings the River Murray dominated questions that I took from the audience. There is keen recognition of the problem, and the National Water Initiative is a step in the right direction. Signed in June last year at the Council of Australian Governments, the NWI finally begins to deliver promises and commitments necessary to restore the once
mighty river to even a fraction of its former glory. We now have a framework in place to allow proper regulation of water usage and allocation and to deliver to water consumers and those investing in the water industry the confidence to plan for the future.

At the same time the restoration of six key environmental points along the river will be delivered—the first step in a long process. The Living Murray Scientific Reference Panel reported in 2003 that even 350 gigalitres of additional water flow would benefit the Murray-Darling Basin. Of course the Howard federal government was able to far surpass that with an initial commitment of an additional 500 gigalitres at a cost of $500 million. This is on top of the $3 billion Natural Heritage Trust and the $1.5 billion National Action Plan for Salinity and Water Quality.

But these are only the first steps in the right direction. The Murray-Darling Basin must continue to be monitored, and a plan must continue to be developed. The Murray is vital not just to Adelaide and South Australia; it is the lifeblood for so many industries in rural Australia—such as wine, citrus, beef and lamb—and for the towns that support those industries.

Since the election, I have been fortunate to have been appointed as Parliamentary Secretary to the Minister for Health and Ageing, Tony Abbott. He has given me a number of portfolio areas, including the Therapeutic Goods Administration, mental health and suicide prevention, asthma, drugs, alcohol, tobacco, illicit drugs, food safety and policy, gene technology regulation, blood and organ donation, nuclear safety, autism and the assessment of chemicals and their safety. Drugs, alcohol and tobacco are great problems facing our society today. While great inroads have been made into these areas there is still a long way to go. The awareness of mental health is slowly increasing, but it is still greatly misunderstood in our community.

The problems facing society in these fields are not going to fix themselves and nor are they going to be fixed by the federal government alone or by any one part of the community. The work we need to undertake must be a coordinated effort—a cooperation between federal and state governments, associated stakeholders in the health industry and the community itself, particularly parents and individuals. I look forward to representing the minister and the government in these areas.

I would like to comment on some aspects of the mental health debate that we have been having in recent days. The case of Cornelia Rau has highlighted a very important deficiency in mental health services in this country. It has certainly come as a shock to me and, I think, a shock to many Australians that mental health services in New South Wales could have been so poor as to allow Cornelia Rau to have left the institution in which she was recovering without any attempt having been made to find out where she was and what she was doing. It highlights a very important point. When the deinstitutionalisation of mental health services occurred across this country in the early nineties, it was something we all welcomed—we still welcome it today. For those suffering from mental illness, there is today a greater understanding that this is an illness that can be fixed, monitored and looked after. They are welcomed into our community—and so they should be. In fact, mental health, depression and many other aspects of this issue affect almost every Australian family.

When deinstitutionalisation occurred, the states did not put the same amount of money into support for the mentally ill at the community level as they had put into institutions. They used deinstitutionalisation as an opportunity to save money in the health area—and we are bearing the consequences of that today. If the Cornelia Rau incident tells us nothing else, it tells us
that the states stand condemned for their lack of financial support for mental health services in this country over the last 10 years. It is little known that the Commonwealth accounts for 55 per cent of all mental health spending in this country, yet we do not have constitutional responsibility for mental health in this country. We are doing it because it needs to be done; it is important and we want to help and work with the states. But the states need to pull their weight as well.

In the last round of Commonwealth health funding, the Commonwealth increased its spending on mental health by 128 per cent; the states increased their spending by 40 per cent. Yet the states have primary responsibility for mental health services in this country. So I call on the states to lift their game in the area of mental health—to use the unfortunate incident surrounding Cornelia Rau as a springboard for the improvement of mental health services for those around the country who are in need of them. They will get the support of the Commonwealth government if they do so, but they must take responsibility for those areas of state services that are their responsibility and not the Commonwealth’s.

I look forward to representing the people of Sturt in this House for the next three years.

Mr BEVIS (Brisbane) (10.45 a.m.)—The debate we are having now, the address-in-reply to the Governor-General’s speech, is the first debate following the return of the government after an election. It is somewhat strange standing here in February after the October election, which was quite some time ago. But, as with other speakers, I intend to speak in the address-in-reply debate, as I would have had it occurred before the parliament rose at Christmas. At the outset I want to acknowledge and thank the people of Brisbane for the great honour they have once again given me in voting for me to represent them in our national parliament. I particularly want to thank the band of hardworking people who were part of my campaign team, without whom it would not have been possible for me to be in the parliament. I also want to place on the record the support my family have provided me, not just in the election campaign but also for an extended period of time.

Those of us who have families, partners and loved ones know how much they are required to sacrifice in order for us to do the work we do in this place. It is seldom recognised. Indeed, from time to time, people in the media enjoy taking pot shots at those things, and the sacrifices our families make in these circumstances are quite substantial. That was driven home to me over the Christmas vacation—so soon after the election which for all of us was a time of increased activity above what is normally a busy schedule anyway—when, as I was leaving for the office in the morning, my 10-year-old son wanted to know whether I was going to Canberra again. When I said that I was not he told his mother he was very happy. He also made the comment, after I was returned to the frontbench, that he was ‘happy and sad for Dad’ that I was back on the frontbench. It was a reminder that we are all mortal and that we all have personal lives.

The things we sacrifice as members we sacrifice willingly in a sense and we receive rewards from our motivation and desire. Our families do not always share that same depth of motivation and desire but they have to make similar sacrifices. So I want to take this opportunity to place on the record my very deep appreciation for the sacrifices my family have made. Once again, I thank the people of Brisbane who on the last six occasions have placed their trust and faith in me to represent them in this parliament.
The first thing we do after returning from an election is swear an oath of allegiance or make an affirmation of office. While I have made this comment on previous occasions, I think it needs to be made again. When I tell people in my electorate, particularly at citizenship ceremonies where oaths and affirmations are made, that as a member of parliament I am not required to make a similar oath or affirmation, that I am not required to pledge myself to the people of Australia, our laws and democratic principles but that I am obliged to give an oath or affirmation pledging myself to Queen Elisabeth II, her heirs and successors, my constituents are quite surprised. They are taken aback that that is the pledge that the members they elect to their national parliament are required to make. It is time to for us to look at changing that.

When changing the oath or affirmation for people to become Australian citizens was first raised as an issue a decade ago, there was some controversy about that. I do not know anybody who believes that the oath or affirmation that people give today to become Australian citizens is anything but appropriate and uplifting. I do not know anybody who thinks that they should, as they once were, be required to pledge themselves and their loyalty to Queen Elizabeth II, her heirs and successors. People today who go to those services will hear new Australians say:

From this time forward—
either under God or not, depending upon whether it is an affirmation or an oath—

I pledge my loyalty to Australia and its people, whose democratic beliefs I share, whose rights and liberties I respect and whose laws I will uphold and obey.

I think that is a very fine set of words, and all of us who attend citizenship ceremonies know that they embody the sentiment of new Australians and their families and friends who are present. It is about time we in this parliament made an oath or affirmation in similar terms to similar principles. The sooner we have a serious debate in this parliament about changing our members oath and affirmation of office the better. I encourage members on both sides, in a non-partisan way, to encourage debate with their colleagues so that we can adopt an oath or affirmation for members of this parliament that represents the will, the wishes and the desires of the Australian people and takes us into the 21st century, rather than lingering in the 19th.

I also want to comment on the process of parliamentary elections. A number of states—indeed most states in Australia—now have four-year terms. Many countries have national parliaments elected for four years. Indeed, some have parliaments elected for five years. Our national parliament is elected for three years, involving six-year terms for senators, usually with half coming up for election every three years. It is time both sides of politics recognised publicly what we all say privately, which is that a three-year variable term is simply inadequate for the proper management of the nation.

There is no enterprise in this country that would endeavour to operate its affairs on the basis of rolling three-year changes in direction. In fact, they are not three-year terms; they are usually a few months short of three years. If you take out the caretaker period of government before the election and you then take out another couple of months after the election for the transition process, even if the same party is re-elected—there is always a process of reconsideration of positions and the like—you are looking at an effective period of about 2½ years out of every three-year block in which the proper management of the nation is being run as it should be. There will always be a transition period in a democratic environment, but it is
about time we moved to four-year fixed terms. We could pick a day—the first Saturday of December or the first Saturday of March; frankly, I do not care which day of the year it is—and say that every four years that is the day on which our national parliament will be elected.

There is always a question raised in this debate about Senate elections. If we kept the existing formula, it would mean senators being elected for eight years, or the whole Senate being elected every four years. Both of those options have drawbacks—and I acknowledge that—but neither of those drawbacks, in my view, is as big an impediment to the proper law-making and functioning of the Australian parliament as the problem we presently confront with three-year terms which, in practice, end up being 2½-year terms. We should be, again on a bipartisan basis, promoting a debate in this parliament about fixed four-year terms. I think that an eight-year term in the Senate is too long. It creates some concerns for me in terms of the basic principles of accountability. I understand the concerns about an entire Senate being elected in one hit, rather than half, at successive elections, but unless we as members of parliament encourage a debate on these matters we are never going to overcome the problems. There is no way that we will address the needs of our nation in a rapidly changing world in the 21st century if we condemn future governments to these cycles of 2½-year terms of office. The sooner we raise a serious debate about that, the better I think Australia will be.

The other broad issue I want to raise in this debate relates to a republic. It is an issue that bubbles along every now and then and, since the referendum, it has been in the background. During the referendum the people of Brisbane voted quite overwhelmingly in favour of the question. The one question, though, that the Australian people have never been offered the opportunity to vote on is the simple question: do you believe Australia should be a constitutional monarchy or a constitutional republic? It is a simple question and the government has run away from allowing the people of Australia to have that simple choice.

I have no doubt in my mind that, if a plebiscite was held where that was the question before the Australian people, a substantial majority—an overwhelming majority—of Australians would say they believe this country should be a constitutional republic and not a monarchy. We should give the Australian people that simple choice. There is nothing to be afraid of in allowing the Australian people a vote in these matters. Let the Australian people decide that threshold question—no games of constitutional conventions, no games of parliamentary committees and none of the political shenanigans that from time to time we see from all sides of politics in other debates. Let us allow the Australian people a clear, simple choice: do they think we should be a republic or a monarchy? Once that question is settled, then we can move on to resolve other matters in the debate.

I want to turn now to some aspects of the last election campaign and the way in which some things have unfolded. I have noted over the course of the last few years—and we have even seen it from government members in the debate in this chamber today—a focus of Liberal-National Party members not on anything to do with their responsibilities here in Canberra or matters that the federal government is responsible for but on campaigning on state and local government issues. Earlier in this debate the member for Sturt spent a good deal of time talking about road issues in which the Commonwealth has no involvement. That might be a keen thing to campaign on locally—but all of us know what the game is. As an organised activity, the Liberal Party have encouraged their members and candidates to avoid talking about the things for which John Howard and this government are responsible. They have encour-
aged their people to talk about local police stations, local roads and local hospitals—anything that is the responsibility of state or local governments—but to steer clear of the things that they are actually responsible for here in Canberra.

That three-card trick has worked to a greater or lesser degree in different parts of the country. The problem that the Liberal and National parties have is that this three-card trick has a shelf life. It is a game you can play for a while, but not forever. They played this game over the last 12 months or so to a greater or lesser extent, depending on who was doing it and where they were; but, frankly, the jig is up. There are a number of people in the press gallery and in the public who are, increasingly, understanding the duplicity of the Liberal-National Party campaigning in these matters.

I am more concerned, though, with what I see as an undermining of Australian society and ethics. We now have a situation where the government’s efforts to carve off minority groups, to victimise minority groups and to set the majority against the minority has reached a point where it undermines the fabric of our society. This sinister game was played in 2001 when people on the Tampa were set upon and victimised. I well recall that the member for Moreton, who is now the Minister for Vocational and Technical Education, said during the debate on the Tampa that there was not one refugee on the Tampa. His exact words were that they were all ‘occasional tourists’. There was an effort to demonise people because they were different.

The same thing has happened in the past to others who might appear different to the mainstream. Whether that difference is ethnic background, skin colour, religious background or because they are in minority organisations, that willingness to persecute and set apart minority groups for political gain has been an effective ploy in the short term but a terribly destructive vehicle in the long term. This issue should transcend grubby party politics, but this game has been played by this government and this Prime Minister in two successive elections and I think it is time that some of the people in the government who know this game is being played and understand the consequences of it rise above it.

Politics in Australia has become an auction for votes. People are encouraged not to look at the national good or the situation of the next-door neighbour or the person down the street who is less well off. People are encouraged to say and think, ‘How much will you give me for my vote?’ There has always been an element of that in politics—it used to be described as appealing to the hip-pocket nerve; it is not a new invention—but we now have a situation where it is being cultivated in an uncritical manner. The Prime Minister handed out $6 billion at an election campaign launch—$6 billion was promised in an afternoon! That is a pretty substantial lolly to put in front of the public. It will be interesting to see how much of that lolly ends up being delivered at the end of the day.

That situation stands in stark contrast to what we all say are the high ideals of public office. When he wants to, the Prime Minister can, with some enthusiasm and apparent integrity, talk about the importance of public life, but when he gets down to the nitty-gritty of politics he is in the gutter playing the divisive card and trying to auction off people’s votes. I wonder what would have happened in 2004 if someone had stood up and made the comment that John F. Kennedy made in his inauguration speech, which is often referred to. He said, ‘Ask not what your country can do for you but what you can do for your country.’ I suspect that if one of the major political leaders had said that in the context of the 2004 election they would have been laughed out of the room and ridiculed by most of the political commentators. But there is a
real loss of public identity and public wellbeing in that process. In our national parliament we should not be concerned just with the grubby chase for votes; we should be concerned for the national good. We, as decent human beings in a civilised society, should be concerned for those people in less well-off positions than us. Most of the things that I, as a member of parliament, vote for in these areas disadvantage me personally, but I happen to think they are good public policy. I happen to think those are the right things to do for my electors in Brisbane. I happened to think they are the right things to do for our nation in the long run.

If we cannot raise these things for serious consideration in an address-in-reply speech, I am not sure where we can. It is time that people started to take stock of the impact of the political games that have been foisted upon the public, particularly in the last decade or so. We are undermining an important characteristic of Australian society—a decent, caring characteristic which was part of what Australians prided themselves on. What about the national good? What about our neighbours? What about those who are less well off? Let us strive for the higher ideals.

There were a number of issues in the last election that were important in the electorate of Brisbane. None was more important than health: the provision of quality health care, the access to bulk-billing, and Medicare. As I have for the last few years, I will continue to fight very hard to ensure that the people of Brisbane are able to maintain access to those services. I also have a very strong commitment to access to quality education for all Australians. That is becoming much more difficult as a result of this government’s policies. Under this government, schools are now funded in a discriminatory manner that ensures that need no longer counts. Those with the greatest wealth receive the greatest increases. Those in greatest need are left to run chook raffles and chocolate wheels.

There is a fundamental injustice in the way in which this government has administered education funding and it needs to be addressed. The way in which access to tertiary education is now structured provides a significant benefit to those who are already wealthy. If you can afford to pay up front, not only do you receive a substantial financial benefit—the discount has just been reduced to 15 per cent—but a lower academic record is required for you to get into a course than the record required of HECS students who cannot pay full fees up front. If you can pay up front you can get into a law degree at the University of Queensland with a rating that is two points lower than someone entering as a HECS student. If you have the money to pay up front this government lets you do a course that you could not do if you did not have the $150,000 in the bank needed to pay for that upfront fee. That discriminates against people with ability in favour of people who are wealthy. That is un-Australian; that is indecent. It is one of the outcomes of this government’s higher education funding.

The environment is an important issue in the electorate of Brisbane and throughout the country but time will not allow me to go into that issue today. I have no doubt that over the course of this parliament we will have ample opportunity to pursue it. Once again I thank the people of Brisbane, my family and my campaign team, and I look forward to serving them well over the course of the next three years.

Mr ANTHONY SMITH (Casey) (11.05 a.m.)—Like a lot of members who are speaking in this debate, I welcome the opportunity to speak on the address-in-reply, the first debate of a new parliament that comes after the election. All of us who are here are reminded in the first debate of just what an honour and a privilege it is to be here in this representative house of the
Australian people. We represent the combined majority will of the electors, the voters, in our respective electorates and do so to the best of our ability irrespective of the different philosophies and beliefs that we might have in this place. I say to those new members who have given their first speeches—one is here today and all the others have already spoken in the debate: congratulations on your election. No-one gets to the House of Representatives without huge effort, and I acknowledge that, and nobody comes here, in my view, without wanting to do good things for their electorate and the Australian people. I also pay tribute to the friends and supporters in the electorate of Casey who made my election possible in 2004 and earlier in 2001. The process of election in a democracy is an ongoing thing in many ways, but none of us could do it on our own; we all recognise that. I firmly believe that people who take part in the political process, whether they are members of my party, the Liberal Party or the National Party or—dare I even say it—the Australian Labor Party, do the country a great service because without political involvement in democracy, without that sort of effort that goes in, we would not have the sorts of results that we have.

The process of election in a free and democratic country like Australia is a wonderful thing, but because it is so peaceful and happens without rancour every three or four years we are inclined sometimes to take it a bit for granted. We are inclined to forget that the very rights, liberties and freedoms that allow democratic elections are the norm. We should never forget, and now in the first debate of the new parliament is a good time not to forget, just how in the sweep of world history what a young thing democracy still is and in global terms what a rare thing democracy is even today. Certainly democracy has spread far and wide since its inception, but the number of people who still live in countries and continents where there are not the freedoms we take for granted is still vast and quite extensive.

I and many of us—including, I know, my colleague the member for Blair, who is next to me—were all reminded of this by the recent elections in Iraq, which came just a few days after Australia Day and in which we saw people prepared to vote despite the danger, the carnage and the threats and awful pledges of terrorists who said they would, and did, maim or murder people who wanted to go and freely exercise their new found right to vote. We saw Iraqis, who for 50 years had no light of freedom or democracy whatsoever, stampede to ballot boxes. The best part about it was we saw them stampede in numbers that both sceptics and optimists never predicted. The people who voted on that day in Iraq, particularly around Baghdad—and we all saw it in the news footage—summed up the importance and the privilege of the right to vote better than any of us could.

We saw candidates in numbers nobody predicted. From the situation in Iraq a few short years ago—no democracy, with Saddam Hussein in control—now to have an election is in itself a miracle but to have 228 parties and 19,000 candidates, brave people, who were prepared to put their names forward, with 5,000 or more polling stations and a very high voter turnout—at the very least 60 per cent ranging to 80 per cent in some areas—said it all. One man said, ‘We’re defeating the terrorists as we come here. We want to be and live like all people, like all human beings.’ A Kurdish woman said, ‘This is the happiest day my life.’ One man said, ‘This is our badge of pride.’ Another said, ‘First I was nervous because security is not stable, but we came anyway to put our votes in boxes. These elections represent the people and decide our fate.’ Another said, ‘Voting is a very good feeling. We want sovereignty and we want to get rid of injustice.’ The stories and anecdotes on our television screens and in
our newspapers also said it all: the sign on the wall in Baghdad, ‘Don’t live in fear’; a woman in the Kurdish region of Iraq, 94 years of age, demanding to vote and being wheeled in a wheelbarrow by her family—absolutely amazing stories that tell so much about the vibrancy and the insatiable appetite of people for freedom.

A few days before those elections, on Australia Day, all of us in this House were reminded of our rich democratic history. You cannot go to an Australia Day service and not think of the wonderful, rich and robust democratic history here in Australia. Like all of us in this place, I attended a number of citizenship ceremonies, Rotary functions, cricket matches and community events. At one of them in Ringwood, radio host John Faine spoke very eloquently about democracy. He made an important point: that not only does Australia have a rich democratic history but we are probably the most democratic nation on earth in terms of our conduct. It is probably the defining feature of Australia. He gave the example, from his line of work as a radio commentator, about how, as much as we take it for granted, he can speak to the Prime Minister, to the Leader of the Opposition, to ministers and shadow ministers, and about how he can quiz them, ask them anything or have an argument with them, and then open the discussion up to talkback where people from any suburb in Australia can ring in and say exactly what is on their mind in a frank Australian way and everyone else can hear the question and answer. To us it is not a big thing. It is part of our Australian democracy. John Faine made the important point that in the United States no President has ever done that and probably never will. In the United Kingdom, no British Prime Minister has done that, but that accessibility is part and parcel of the Australian democracy and makes our country so wonderfully democratic.

I believe our democracy is very strong—it is the envy of the world. One of the reasons for that is that we have always been prepared to look at whether we are doing things as well as we possibly can. Should we change things to update and nurture our democracy to keep it strong into the future? One area where I believe we should have a discussion is the question of whether we should move to a voluntary voting system some time in the future. I raise this but emphasise, as has the Prime Minister and as have other senior ministers, that the government will not in this parliamentary term change our voting system. There will not be any change for the next election and that is right and proper. We did not promise to change our voting system and we will not be doing so in this parliament. In fact, we do not even have a policy to change it. But this does provide a wonderful opportunity to discuss now and in the future the merits of voluntary voting in a way where people do not move to their usual burrows or fear a hasty decision. The knowledge that there is not going to be a change before the next election—

Ms Burke—We can go down the US model. That’d be so good, wouldn’t it!

Mr ANTHONY SMITH—would mean we could have that discussion about the merits or otherwise of the proposition. As I said, perhaps with the exception of the member for Chisholm, the rest of us could have a calm and considered debate. It is certainly possible for 149 of us, but we have always known it is perhaps not possible for the member for Chisholm.

In that light, I would say that I personally favour a shift to voluntary voting. I think the right to vote is a precious right. My view is that, on a philosophical and a practical level, voluntary voting would be better, and I have always thought that. I think that the right to vote is very precious, and it is somewhat contradictory to force someone to exercise their vote
against their will. That is somewhat against the underlying democratic spirit and the foundation of voting itself. To my way of thinking, a voluntary vote exercised is a truer and more pure reflection of the vibrancy of democracy. That is my point of view. I accept there are other points of view, and I do respect those, but I think that a voluntary system some time in the future would mean that not only would we know that we are here with the support of the majority of our electorate but we would be here with the support of the majority of our electorate who freely wished to go along and vote.

Having said that, I do not think for one minute that the number of people who actually would not vote in Australia would be all that high—I really do not. But forcing these people to attend a polling booth and cast a vote against their will is somewhat contradictory to the intent of our democratic system. Those who favour the status quo—those who do not want to ever change—do so on the basis of a number of claims, and I would like to briefly address some of those and perhaps counter them and add to the debate so they can be considered in the future. Firstly, normally the most hysterical claim that is made up front—and we have heard it in here today—is that a shift to voluntary voting would mean we would become just like America or there would be this enormous collapse in interest in democracy.

Ms Burke—No, I said by the American system. There is a difference that I think the people should know.

Mr ANTHONY SMITH—If we shifted to voluntary voting, I do not for one minute think that there would be a reduction in interest in democracy in Australia; I think that that very assumption does the Australian people an incredible disservice. Far from it: I actually think there would be an increase in interest in democracy. The focus would shift from the burden of voting for some to whether or not people voted. I think in that classic Australian way there would be a discussion about not just whom people were voting for, which is the sole discussion at the moment, but whether or not they were voting, and the overwhelming character of the Australian people would be, ‘Yeah, you should be in it. Of course you should vote. Of course you should exercise your will.’ And that is what would happen.

With respect to the criticisms about declines in the number of people voting in jurisdictions like the US, they should be discussed. But I think what we have to realise is that the US have a system that is not like ours and if we shifted to a voluntary system we would not, and should not, replicate some of the things in the US that result in low voter turnout. There are a number of reasons why the US have a low voter turnout, but one of them is that they have their elections on a Tuesday—and it is not just one election. They have it in the middle of the working week, but they have a series of elections for everything from dog catcher to police chief. The other reason is that voter registration is really quite complicated. You have to register ahead of time, and that means there is a situation where some people wish to vote at the last minute and if they have not registered it is not possible for them to do so.

None of that need apply in Australia in any way, shape or form. For a start, our elections are on a Saturday and always would be. That is an important point in considering that. The other point is that the registration process which operates in the US is obviously voluntary as well. Critically, if we move to a voluntary voting system, we would not have to move to a system of voluntary voter enrolment. You could maintain a compulsory voter enrolment which would mean that people would continue by law to be on the electoral roll but it would be voluntary to turn up and vote. I think that would be a necessity. It would mean that people
would not face a situation where, weeks or months before the start of an election campaign, they decided they were not interested and were not going to vote but through the campaign there was a policy event or they became interested and wanted to vote but could not because they had not enrolled.

This is not just a hybrid invention; this is precisely the situation that operates in New Zealand. I think New Zealand is a very important comparison. It is a country most like Australia. They have a fine democratic history. We disagree with them on cricket—that is true—but they have for many years had compulsory enrolment and voluntary voting. So, rather than panic in a knee-jerk way and say, ‘If we move to voluntary voting, it’d be just like America, it’d be like the US system, it’d be terrible,’ why not look at the system that is most like Australia? What has happened to their voter turnout? It has remained high all the way through. It is in the high 80s as a percentage every election. Another critical example is Holland, which has shifted in the last 30 years or so from a compulsory system to a voluntary system. Again, its voter turnout has remained very high indeed. These things should be considered—but, as I have said, not in this term of parliament. But we should have a discussion about it. We should not be fearful of having a discussion about moving to a voluntary voting system, something that I think would improve our democracy.

One of the misconceptions I have discovered in discussing this with colleagues and debating it in public forums is that proponents of the status quo—those who support compulsory voting—do so with the assumption that we have always had that system in Australia. That is not the case. We have had it for the vast majority of Federation but, for the first 25 years, we had a voluntary voting system. Compulsory voting started in Queensland in about 1915, and it was not until the 1925 election that we shifted to a compulsory system. As we look at these issues in the broad sweep of our democratic traditions, we should do so in the vein that Australia has always been not only a country with a great and rich democratic tradition. We did not just follow the world in electoral reforms; we led it. We led the world in universal and free voting, we led the world in the right to vote for women and we led the world with the introduction of the secret ballot.

That tells us that our founding fathers of Federation and, indeed, the representatives of pre-Federation—because some of these reforms happened at the colonial level—were not fearful of change, discussion or argument about how to improve and nurture our democracy. My view is that we should not be either. We should be able to have a discussion outside the heat of politics, without the false motives that so often happen in these debates, and we should do so over a considerable period of time. And we should do so with the aim of making sure our democracy is the best it can be. It should be a comprehensive sort of debate in this parliament and in the public. When you look back at the debate of 1924 and earlier in the Hansard and read the history of it—and there is some quite good history, written largely by Labor historians, actually—what strikes you about the debate is just how short and insubstantial it was. There were only a few speakers on each side and it went through on the voices. In that light, we should consider it again and do so in a bipartisan way. I think it is something that would be good for our democracy here in Australia in the years ahead.

Mr ANDREN (Calare) (11.25 a.m.)—In this address-in-reply debate I would like to concentrate on two issues: the injustices that are perpetrated against our Indigenous peoples, in particular relationship to people within my own electorate in the prison population, and some
serious concerns that I have about the growing democratic deficit in this country. First of all, I
would like to thank all of those people who gave me so much support leading up to and dur-
during the recent election. Thanks to my loyal supporter base who again provided volunteers for
each of the 93 booths and pre-polling, to my staff and to my boys, Greg and Josh, and my
partner, Valerie. The staff has been magnificent. Tim Mahony, my senior adviser and cam-
paign manager; Dianne Abbott, my office manager and superefficient organiser; Helen Ber-
gen, researcher extraordinaire; Eileen Webb, a caring and careful electorate assistant; Brian
Hustwayte, my loyal Lithgow assistant; Christian Tancred and all of those helpers and volun-
teers, especially Chris Tillott and Frances and Tom Hetherington—a huge thanks to them all.

The government has predictably claimed a strong mandate given the swing towards it in
the lower House and a Senate majority that has caused a great deal of concern in the elector-
ate. Not because it is the coalition with the majority—far from it—but because most people
believe it is unhealthy that any governing party in this day and age should enjoy a majority in
both houses. The post-June Senate control by the government is an example, I believe, of just
how out of touch with modern democratic models such as New Zealand and most European
countries is our parliamentary system. A dominant two-party system that can swing, as we
have seen, to a one-party government is, I believe, a dangerous anachronism in any modern
democracy.

The weakness of the opposition support has obviously helped to deliver that outcome. At
no time during the campaign or the period leading up to it did I sense that the opposition had
won the hearts and minds of the wider electorate. I believe the opposition seriously needs to
examine just what it stands for. Those who were looking for a stronger stance from Labor on
issues such as the US free trade deal saw nothing apart from some tinkering around pharma-
caceuticals. Let me tell you there is real, warranted and genuine concern right across the rural
sector about the ramifications of that deal. The perception that there will be an inevitable wa-
tering down of quarantine barriers to infection and disease is but one of those concerns. The
export of manufacturing jobs and the uneven competition field between the two economies is
of major concern to farmers and manufacturing workers alike, notwithstanding talk of some
cuts in US farm subsidies to help offset a record budget deficit.

I point to the likely scaling down of Electrolux in Orange, in my own electorate, as an ex-
ample of seeking to provide a more competitive outcome but one that does not include the
crucial factor of an Australian work force. Most Australians I talk with, including the so-
called ‘aspirationals’, believe in having government involvement in their lives whether it is in
the provision of social infrastructure such as hospitals, schools and social services or of con-
crete infrastructure such as rail, road and our telecommunications networks—and that in-
cludes continued public ownership of Telstra.

The nebulous term ‘up to scratch’ has been seized on by this government to justify full pri-
vatisation—a sale that has less than 10 per cent support, according to reasonable surveys that
have been done in the bush, not only because of continuing gaps and black spots in the phone
and Internet system that cannot and will not be papered over by the rhetoric of government or
Telstra management. I say ‘not only’ because most rural Australians have drawn a line in the
sand and do not accept full privatisation of Telstra under any circumstances. The New South
Wales Farmers Association has strongly joined that fight today, saying, ‘No sale until rural
services are on par with metropolitan.’ That is many years down the track. This sale will be
the ultimate test of The Nationals’ credibility, but I and most rural Australians sadly expect to see it fail that test miserably. After all, it was The Nationals’ own Senator Ron Boswell who invented the meaningless phrase ‘up to scratch’.

Let me now move to Indigenous affairs. The events at Palm Island and Redfern last year display a failure of policy and a clear sign that Aboriginal Australians have had enough. In the wake of the Palm Island death in custody and violent reaction from the islanders, the Queensland Premier called for more leadership in the Aboriginal community. He bemoaned the lack of leadership from elders. I suggest that the Premier visit the articles of the past few days in the *Australian* which clearly spell out the highly suspicious circumstances in which Cameron Doomagee died and the ongoing concerns of the Palm Island community that justice will not be done. Notwithstanding that an inquest is about to get under way—and I certainly do not question its objectivity—there is a perception of injustice, especially with the police who were involved being able to decline answering questions on the grounds that it may incriminate them. Is it any wonder that there is a well-tested belief among the Aboriginal community of there being a white justice and a blackfella justice—a justice which locked up rioters after the Doomagee death but, as far as I can ascertain, did not suspend the officer in question.

With Aboriginals having a life expectancy of less than 55 years, compared to 74 years for non-Aboriginal Australians, it is not hard to see where the elders are: they are dead or dying. One of those arrested in the wake of the demonstrations was aged 54—one of the island’s elders, no doubt, but one driven to desperate acts by anger at what had allegedly occurred to Cameron Doomagee.

While we are rightly concerned at the economic plight of our East Timor neighbours and the continuing incarceration of refugees, especially children, and the mentally ill—finally headlined, as it has been, by the Cornelia Rau tragedy—we have taken our eye off the Aboriginal crisis. Our only Aboriginal senator, Aden Ridgeway—sadly, soon to depart the Senate—told his fellow senators late last year that Australians do not seem to care about Aboriginal deaths in custody. Our Indigenous Australians are 15 times more likely to be jailed than non-Aboriginals.

We can debate the rate of deaths in custody compared with 10 or 15 years ago, but they still occur at an alarming rate. Yet commentators like Peter Walsh have the gall and insensitivity to suggest that, on issues like mandatory sentencing and Aboriginal reconciliation, the opposition has been hijacked by well-heeled, vain, self-indulgent ideologues. He could well have included those true liberals, independents, social democrats and church leaders who still care. He obviously does not care. The real problem is the vanity and self-indulgence of those who see Aboriginal injustice as some sort of mild irritation. Walsh’s position is as soulless as the dry, economic rationalist ideology he advocates, whereby, in classic Thatcher-speak, there is no such thing as society, just individuals creating wealth that will trickle down to benefit even the Koori communities. We are all ‘masters of our own destiny’ rubbish.

Let me paint a picture from my own electorate. Many in the local Koori community have no idea what future support process will be put in place in the wake of the demise of ATSIC—not that ATSIC offered the degree of support needed in the Bathurst-Orange area when help was needed. We have a facility that could and should be utilised for the benefit of the whole community, providing health services and TAFE programs as well as the successful child-care centre already operating on the site. But Towri finds itself in limbo as the government tries to
determine who owns what, with the prospect of protracted court challenges to the dismantling of ATSIC, the nominal owners of the Towri property. Yet the Towri child-care centre is being forced to pick up the court costs for unfair dismissal cases that have nothing to do with the centre itself but are a hangover from earlier decisions made by an administrator. It is a mess that is not of the making of the current Towri board.

Up the road, in Bathurst, the Children of Prisoners Support Group is struggling to provide any sort of service for the 60 per cent of Bathurst jail population who are Aboriginal—I repeat, that is 60 per cent. A people who represent two per cent of our total population have an average 25 per cent representation in our jails and 60 per cent in Bathurst jail. The prisoner support group runs children’s activities, video link-ups between inmates and loved ones, a transport service with volunteer drivers, advocacy services and school holiday activities. The Aboriginal prisoner component was formerly funded by ATSIC—funding which has now ended.

One other service it provides is the Rediscovering Families program that helps children of prisoners and their families as they prepare for the return of a released inmate to the home—surely a vital program to make some inroads into the tragically high recidivism rate of Aboriginal prisoners. While the state corrective services and community services departments provide some administrative assistance, this has been reduced in recent times. If this is an example of mainstreaming of Indigenous services, state or federal, then God help the Aboriginal community I talk about. These programs will face a funding crisis by the end of March. The children of prisoners program, now called SHINE for Kids, has just missed out on a grant under the Commonwealth early intervention Invest to Grow program of the federal Department of Family and Community Services. I really wonder what more worthy projects than this received assistance.

And while we are talking about projects winding up at the end of March, the government currently has before it a submission from the Lyndon detoxification unit at Bloomfield Hospital in Orange which, because of a row between state and federal departments, looks like not receiving its recurrent funding by March—and it is going to lock up its services if that is the case. They have got clients that they are trying to organise from the courts. The local magistrate Jan Stevenson, I understand, spoke out in sheer frustration at this prospect in Orange the other day. The Minister for Health and Ageing, Mr Abbott, has received submissions from me and from interested parties, and I had a brief discussion with him yesterday.

In the climate we now have, with the revelation of the treatment—or the lack of treatment, if you like—of people with severe mental disability, surely to heavens we can do better. More evidence is pointing to the fact that we have severe schizophrenia and other mental conditions caused by the super marijuana that is now available—the damage it does, as one doctor described to me, is ‘cooking the brains’ of those who are using the stuff. This unit is all part of the detox program, and the federal government, as I understand it, is insisting on more emphasis on alcohol in a program that is already funded to the tune of several million dollars. The Lyndon House program was one of the benchmark and guideline programs that the government funded under its Tough on Drugs policy. An outstanding program, Lyndon House in Canowindra grew out of grassroots support. The patrons were Jack Gibson, who lost a son to drugs, and Dawn Fraser. They have been in there right along supporting Lyndon House, out of
which grew this detox unit. It is getting to the point of desperation as to whether there is going to be any recurrent funding for what by any standards has proven to be an outstanding service.

I want to mention briefly the issue of the Tasmanian old-growth forests in relation to Gunns’ SLAPP writ process. I am really concerned about this development in Australian corporate behaviour whereby the SLAPP writ is being used in this fashion. Until recent times it was used extensively in America to prevent proper public participation in legitimate protest and activity. This most cynical of moves is designed to tie up, as I see it, people who have a legitimate argument about the process that the Tasmanian and federal governments are going through with regard to the Tarkine, the Styx and the Eastern and Western Tiers. I have seen these in the last six to 12 months and was mind-boggled by the absolute integrity and overwhelming beauty of those particular areas. It is a resource of absolutely amazing potential. I urge all Australians who should be interested in this issue to contact Dr Johannes Bauer at Orange university, the newly-converted campus of Charles Sturt University, and let him explain the program that he has taken to China to convert their old-growth logging programs into old growth ecotourism, and the tens of thousands of visitors it is receiving and the thousands of jobs it has created.

As I understand it, the argument over the Tasmanian issue that was so muddied during the last few days of the campaign was over about 580 jobs directly involved in old-growth logging. For what? To chip the stuff and send it for processing into toilet paper and serviettes in Asia. Massive trees, almost as big as this room, are being used for that purpose. I ask: what are we doing in this generation when we have so much value in the inherent integrity of the forest itself to offer that to future generations as the sort of environment that once was? It defies belief that, for short-term political gain, it can be used to protect so few jobs when so many potential jobs are there for the making. It is such a blinkered approach and such a cynical profit-driven approach for so little gain that people shake their heads, as I do, in trying to understand just how we can do that.
case China, that respects the need to protect its old-growth forests, not for chipping but for ecotourism. I said at the beginning that I have grave concerns about the direction of our democracy and that some simple reforms to our voting system could ensure a fairer outcome. I would urge people interested in studying this subject in a little more detail to visit the ANU Democratic Audit of Australia web site where there are some fantastic papers written from all directions on our democracy, the recent Senate outcome, and whether we should be looking at proportional voting above the line as a means of more fairly allowing people to distribute their preferences and to know where their preference are going—so that outcomes where a party with two per cent of the primary vote delivers members to the parliament do not occur. It does not matter whether it is in Victoria or Queensland.

I want to finish with a tribute to a young man by the name of Kurt Fearnley, who comes from Carcoar in my electorate and is one of the most outstanding paralympians Australia has ever produced. I want to paint a little picture of Kurt’s reception when he got back to Carcoar last year, after he had travelled back from the games and done a lot of other engagements.

Kurt won two gold and a silver medal at those Olympics. The story of his marathon win is a story that we have probably heard and would take another 20 minutes to tell. His tyre flattened about six kilometres out, but he pushed on and won in record time. He entered the stadium and was there for five minutes before the second person turned up. For sheer guts and determination, the story of his win is worthy of publication around the world.

When he came back to Carcoar he spoke to all those kids, family members and community members who met him. He told them with no fanfare about how the day before he had met Sophie Delezio, the toddler who received burns to 85 per cent of her body when a car smashed into the Manly Roundhouse Child Care Centre in December. He said they were obviously two like souls in terms of their disability. He gave her the silver medal because she was so brightened by holding it in her hand. He did not necessarily want anybody to know about it, but I wish to pay tribute to a great champion and a champion person. (Time expired)

Mr RANDALL (Canning) (11.45 a.m.)—It is my privilege to be here this morning to speak in the address-in-reply debate. I was very honoured to be re-elected as the member for Canning on 9 October; it is an honour I will carry for the rest of my life. You do not do it on your own, and I would like to pay tribute to the people who assisted me during the campaign. There were many, particularly my staff, members of the Liberal Party and many supporters whom I have thanked privately.

I would like to make a few points on the election in Canning in Western Australia and on the election generally. I am very proud to have been re-elected and I am also proud to have taken the seat from a margin of 0.4 per cent to one that is now 9.6 per cent on the Mackerras pendulum. I feel that many of the issues I pursued, which I will address later in my speech, assisted my constituents to believe that I was working and fighting for them, and as a result they put their faith in me for a second time.

I would also like to pay tribute to some of the candidates, for example, the Labor candidate Kay Hallahan. I found her to be a very decent person to deal with—we have met since—and we had a very good relationship, and that is the way to run a campaign. I also had a good relationship with the previous member, Jane Gerick, who tragically passed away. I spoke on her condolence motion in the House and I would like to again pay tribute to Jane. She would have been a far tougher candidate, we all know. In the mix was a candidate for the Labor Party,
Cimlie Bowden. We know that Cimlie crashed and burnt. I will not dwell too much on that but she had a lot of interesting things to say about her colleagues in the Labor Party on the way out. As a result, it was an interesting election from the opposition’s point of view.

I would also like to mention Joe Dacheff, who was the One Nation candidate in this election and in the election before. Joe is a very decent man and a highly principled person, and I acknowledged that in a letter to him. The interesting thing about this result was that the second highest vote, apart from the Labor Party’s and mine, was the informal vote, which was 5.71 per cent, closely followed by that of the Greens, which was 5.05 per cent to a rusted-on candidate, Margo Beilby. I would also like to pay tribute to Vivian Hill of the Christian Democrats. He is a very decent person. I see that he is running for the east metropolitan ticket in the Western Australian state election for the Christian Democrats. Their vote was only just behind the One Nation vote.

Interestingly, the One Nation vote in Canning has fallen from 13 per cent to 7½ per cent and, in this election, to 2.73 per cent. It is gradually evaporating, and I think colleagues in this coming state election will see some interesting results from that. The One Nation vote is going through the floor because people are realising that their policies do not suit Australia. Even though some of them have merit, they are pretty well gone. They have been taken over by such parties as the Christian Democrats. I would like to mention the Family First candidate, Bev Custers. It is the first time that party have stood and they had a respectable vote. Margaret Dodd also stood as a candidate. Tragically her daughter went missing, and Mrs Dodd is still distraught about that.

Finally, there was Tony Bennell from the Australian Democrats who demonstrates what has happened to the Democrats. Their vote collapsed totally, down to 1.16 per cent. As a result, I am very pleased to say that I received a primary vote of 39,000-plus, which was 52.74 per cent, or a swing of 10.9 per cent. The Labor Party had a negative swing of 5.4 per cent and received a primary vote of 24,000, or 32 per cent, of the votes. Obviously I was very happy to compare 52 per cent with 32 per cent. As I said, there was a swing of over 10 per cent. On a two-party preferred basis, we just missed out on a 10 per cent swing, with 59.54 per cent to the Labor Party’s 40.46 per cent. I point this out because I am very proud of the result. It was the highest swing of any party vote in Australia. The only higher swing was that of the Independent candidate, Tony Windsor, in the electorate of New England. I will not be taking this for granted. I will be working hard throughout the electorate because we know that, as much as people can give you their support, they can take it away from you just as easily.

Even though there was a two per cent swing to the government in the national vote, in Western Australia for example it was almost four per cent; yet we achieved 9.2 per cent. The fact is that we won the seats of Hasluck and Stirling and, without a dysfunctional campaign in the seat of Swan, we may well have won that, but for 109 votes. Had we realised the strength of feeling in Western Australia and the low primary vote of the Labor Party we might have put some more resources into the seat of Cowan and won that. However, the Labor Party snuck over the line by 1,000-plus votes. It is all a good story because the public of Western Australia and, thankfully, the electors of Canning, had realised what we were doing on their behalf. I fought hard on many issues on behalf of my electors. When I spoke in this place on 29 November I commenced my address with these words:

I grieve for the Australian taxpayer.
I then proceeded to detail the plight of a large group of Australian taxpayers who have been singled out by the ATO for horrific treatment. Once again, I am compelled to speak of taxpayers in employee benefits arrangements and similar tax disputes because the issue has not gone away and will not go away until a fair and equitable solution has been made. In December the Treasurer, Peter Costello, released a report compiled by Treasury after a review of the self-assessment system. This is a summary of that report.

The report has identified significant serious flaws in the self-assessment process and recommended the introduction of legislation to protect taxpayers from wrongful administration by the ATO. Both government and the ATO have accepted Treasury’s recommendations. Most importantly, Treasury has found that in circumstances identical to those applicable to these EBA arrangements, the imposition of penalties and interest is improper and must not be allowed in future.

You cannot reach a more decisive conclusion than that. This is not the view of me, Don Randall, or accountants or lawyers in private practice, or even the Inspector-General of Taxation. This is the department that is the custodian of the nation’s finances, the body that oversees the tax office. Not only that, the review was commissioned by the Treasurer himself. You cannot find stronger evidence that something smelly and bad needed to be cleaned up. In reality, what has changed for the affected taxpayers? Absolutely nothing. The legislation gives effect to the Treasury’s recommendations and will exclude the very people whose plight precipitated the dispute in the first place. What are we telling these taxpayers? ‘Yes, you’re right; you shouldn’t be treated that way. Yes, we’re going to prohibit’—not request—‘the ATO from doing it again, but we are not going to stop them from abusing and penalising you, so bad luck.’

We cannot right a wrong by preventing it in the future whilst casting off the casualties of the past. I for one cannot stand silent while these people are abused and penalised. In my previous speech to this House I gave notice of a private member’s bill that would address these inequalities. I am pleased that the Treasury’s initial recommendations reflect the substance of the provisions I proposed in November. But a private member’s bill may still be necessary if the remedying legislation proposed by the government excludes those who are and who have been in dispute with the ATO since it commenced its global campaign of reassessments in mid-1998—almost seven years ago.

Let me reiterate the low watermark of this mess. The Commonwealth Ombudsman found the ATO breached a taxpayers’ charter with mass-marketed investors. The ATO’s use of multiple assessments has forced many of these businesses into a position where they are in breach of the Corporations Act by continuing to trade. The inspector-general told the Assistant Treasurer, in a letter dated 5 August 2004, the commissioner’s response to his GIC review was contrary to his findings. Now Treasury has found that the ATO’s approach to these disputes was so irretrievably flawed it should be outlawed by legislation.

A report card like this for any other entity would see heads roll, but the ATO is an arrogant and protected species. My colleagues and I are continually told that there is a settlement offer available from the ATO and these matters are under control. That is far from the truth. The ATO offer of a 70 per cent cap and a possible remission of interest and penalties is a Clayton’s offer without real substance. It is no offer at all because no-one will qualify. In fact I have

MAIN COMMITTEE
here a copy of a letter of rejection from the ATO to one applicant for remission. The letter is from the ATO’s Assistant Commissioner Gary Marizza:

Your submission has been considered, however your reasons do not demonstrate sufficient special circumstances to warrant a further remission of interest.

This is what was expected and why the ATO’s offer is disingenuous and pretence. The ATO continues to placate parliament by making false promises. It must not be allowed to continue this misleading behaviour.

The second letter I have is of more serious concern. It confirms that the ATO is making covert deals while taking an inflexible stance with the majority of taxpayers. This letter shows that the commissioner is prepared to settle with one EBA taxpayer on the basis of nil penalties and with a reduction in GIC to 4.72 per cent. I am assured that there is absolutely no difference between this taxpayer and every other EBA. If the commissioner can remove the penalties and remit interest to 4.72 per cent for one taxpayer, he must do it for the rest. I seek leave to table these two letters.

Leave granted.

Mr RANDALL—These matters starkly illustrate the extent of the debacle the ATO has created with these disputes and continues to create with its Clayton’s solutions. Parliament can no longer rely on the assurances given by the commissioner and his staff; it must take action now to bring this matter to an end. I call on all members to request that the government resolve the ATO’s maladministration revealed by the Treasury reports by ensuring that the protection afforded by the proposed new legislation applies to all those groups of taxpayers who have been in dispute since 1 July 1998.

This matter obviously causes some grief with many people represented by my colleagues in this place. If it comes to a dispute where I have to stand up for my constituents or I have to toe the line with my colleagues, the constituent wins every time. That is one of the reasons why I have a margin of 9.6 per cent in my electorate. We tend to forget how we get here and who we actually represent. At the end of the day this issue will not go away; it has to be addressed and I intend to pursue it as long as I am here—and I hope that will be for a little while longer.

The other issue I wish to address in the time remaining to me is the Mandurah bypass, which I believe is another reason why I had a strong result in my electorate. This government made a commitment to fund $170 million of the cost of the Mandurah bypass. The federal Labor Party, in opposition, promised to provide $170 million of matching funding. However, at the eleventh hour of that campaign Mr Latham, the former Leader of the Labor Party, withdrew $20 million of that money—its razor gang cost-cutting to pay for its measures. The Labor Party is not serious about building the bypass. The bypass has been an issue for years.

I am pleased to say that as a result of my representations and those of other members eventually the state Labor government committed to building the bypass by 2007, but I assert in the House today that this is not true. It is not true for several reasons. One is that the cost of the Mandurah to Perth railway—which I support, although it is on the wrong route; it is on a route which is taking fewer passengers—has blown out from $900 million to $1.5 billion. I suspect it will be $2 billion by the time it is built. This pales into insignificance when you consider the Alice Springs to Darwin railway line, which cost less than that, and the $2 billion
The problem with the blow-out of the Mandurah railway is that road funding in Western Australia in general, and specifically for this project, will be delayed. As a result, the commencement date of 2006, in my opinion, is a furphy. The member for Mandurah in the state parliament, Mr David Templeman, has told constituents of mine—and I have said this previously in this House—that the Mandurah bypass will not be built for 10 years, or at least until 2010. If the people of Mandurah and the people of the Peel region, and Western Australia in general, knew that this was the real intention of the Labor Party, they would be horrified. They have been given a false promise for electoral purposes. The benefits to the Peel region, to Western Australia in general and to the whole infrastructure of the south-west of Western Australia rely on this Mandurah bypass. Colin Barnett has said, as opposition leader, that should he be elected on 26 February this year, he will begin construction of that road forthwith. They are the alternatives.

I support my state candidates in the state election who are urging this project to be gotten on with. That includes Murray Cowper in Murray, Ashley King in Mandurah and Kim Hames in the seat of Dawesville. They are all taking a strong stance on getting this highway built. As a result, I will be raising this issue again—asking the state government to get on with building this very important piece of infrastructure, for which the federal government has put its money on the table. It has showed its real intentions. Not only have we had the Prime Minister visit the road, but also we have had the Deputy Prime Minister, John Anderson, visit it. We have had the former roads minister, Ian Campbell, visit this highly significant piece of infrastructure for Western Australia. That is how important they think it is.

The Mandurah bypass issue needs to be addressed. It needs to be built. The Labor Party need to be serious about it. They are not serious about it. They are trying to put it on the backburner. It is a disingenuous promise that the Minister for Infrastructure and Planning in Western Australia and the state Labor members and candidates are making about this road, and I intend to highlight this even further.

However, I can say that throughout my first term as the member for Canning I have been very proud of the results that we have delivered. We have seen no challenging of the moneys delivered in the Regional Partnerships program to Canning. For example, we committed $250,000 to the building of a significant war memorial in Mandurah. The Labor Party members were sniffing around about that grant. It is very interesting that they should be contacting the Mandurah City Council about the Regional Partnerships grant for the war memorial. It was not until the Mandurah City Council told them that the then member for Brand—now the Leader of the Opposition, and still the member for Brand, although he wants to go and live in Sydney—also committed his party, without any formal application, to $250,000 for the war memorial in Mandurah. That is why the Labor Party has gone cold on trying to look further into the Regional Partnerships grant for a war memorial in Mandurah. It is because the member for Brand committed to it verbally at a function that we were at.

In addition to that, I am very pleased to have delivered significant funding for the rail heritage museum in Pinjarra and for many other projects which were sorely needed but ignored by past members for the electorate of Canning. I am very pleased to have been able to repre-
sent these people in the House. I will do my best to continue to represent them in the strongest and most effective way. (Time expired)

Ms BURKE (Chisholm) (12.05 p.m.)—I am very grateful to be making this speech today on the address in reply as the re-elected representative for Chisholm. I would like to claim my own little honour as now being the longest-serving Labor member for the seat of Chisholm. That is something I am very proud of. I would like to start my remarks, though, by acknowledging the enormous sadness in my community in the wake of the horrific tsunami. My electorate is home to more than 2,500 people born in Malaysia, more than 2,000 people born in Sri Lanka, more than 1,700 people born in India and more than 1,700 people born in Indonesia. So it is home to many grief-stricken people, many people who have lost loved ones in this freak occurrence, many people whose families or friends are now without homes and a source of income, many people whose childhood homelands have been devastated. We can only be thankful that we have not seen the predicted massive outbreak of diseases such as cholera, typhoid, malaria and dengue fever. While nothing can take away the awful grief felt by many of my constituents, I hope they can take some comfort from the outpouring of empathy from their fellow Australians. We do have an arm around their shoulder in their sorrow.

However, I would also like to put on record concerns raised by numerous constituents, particularly those within the Tamil community. They are very concerned about the iniquitous allocation of aid within Sri Lanka. They feel that some areas where the Tamil community is strong and in the majority have been overlooked and, indeed, that aid has not been delivered there on the basis of political manoeuvring. I have raised these concerns with various people and I trust that these issues are being investigated. Sadly, many things that are said are true and untrue, depending on what side you are on in the Sri Lankan debate. I have had members of the Singhalese community ring me concerned about Tamils actually cutting off aid routes. I hope that some sense can prevail in this war torn area. Maybe for once they can get back to the table, take the lead from where the Norwegians had left them in their debate about resolving this long-running dispute and actually use this terrible time to resolve some other conflicts.

Turning back to the recent election, which now does not seem that recent, I would like to thank the people of Chisholm for the confidence that they have yet again shown in me. When I made my first speech in this House all those division bells ago, I said it was my objective to make my accessibility to Chisholm residents and their views the hallmark of my parliamentary service. I have taken this promise seriously and I have had a policy of an open door to constituents and community groups. On numerous occasions my electorate staff have complained that I have made the door to my electorate office a bit too open, but I figure that what I have been elected to do is represent the people in our community. I think that to do that properly you have got to do it warts and all and open the door and meet with anybody. When my constituents had a debate about whether it is Ms Burke, Miss Burke or Mrs Burke I said, ‘It’s really easy: it’s just Anna.’ I like that. I like the fact that most people in Chisholm know me as ‘Anna’. I like the fact that I can demystify the role of a parliamentarian and the role of parliament. After all, we are all just people. I have found that people really appreciate this. When we can break down barriers, we can have an honest two-way conversation. Mind you, I am getting a little bit tired of, ‘Anna, we think you’re doing a great job but we have always
voted Liberal.’ I wish I could move on from that on some occasions, but I am a dyed in the wool Labor voter, so sometimes I can actually respect that partisan view from people.

I would like to thank the people of Chisholm for treating the government’s scare campaign with the disdain it deserved. If I agree with anything in the Governor-General’s speech—and there was not much in that speech to draw comfort from—it is that the character of the Australian people should be viewed with fundamental optimism. Certainly the people of Chisholm give me great cause to be hopeful for our country’s future. When the government shamefully demonised people that were desperately seeking a safer life for themselves and their children at the 2001 election, the people of Chisholm recorded their anger at the ballot box, swinging against the government. When the government attempted to mislead on interest rates at this election, the people of Chisholm reacted with indifference. Chisholm is an area where the median monthly house repayment, based on the 2001 census, was $1,044—well above the Australian median of $870. So it is an area where, if you have a home loan, you are paying a lot for it. The people of Chisholm kept stopping me in the street to talk about their fears that young people were being forced out of universities. As my electorate is home to two of Australia’s largest universities—the Melbourne campus of Deakin and Monash—this is a very big issue. A lot of people in my electorate attend those universities.

The people of Chisholm also stopped me to discuss the difficulties they were having finding an available nursing home place for an elderly parent or relative; to ask why, if they were working hard, they were not entitled to a tax cut like their bosses; or to tell me how their adult children could not afford to enter the housing market, for what is forgotten in all the government’s puff about interest rates is that most young people today will never be able to afford their own home. The great Australian dream of owning your own home is actually blocked off from numerous young people—and these are young people who are working, who have degrees, who have incomes. But, because of housing prices and because of the steep curve to actually get into the market nowadays, it is virtually impossible for them to break in. Most of us are paying on average 30 to 50 per cent of our take-home pay on our mortgage. That is a massive amount of your take-home pay that is going towards servicing that massive amount of debt, and that is before you even whack in what you are paying on your credit cards.

I cannot even really remember people raising interest rates with me. What people said about the government’s campaign was, ‘Well, that’s all well and good, but we’re paying so much more for our homes nowadays it’s irrelevant.’ It did not matter. If you do the stats, you are actually paying more now than you were under the 17 or 18 per cent interest rates.

Mr Ciobo—That’s because their homes are worth so much more.

Ms BURKE—Yes, that is what I am talking about: their homes are worth so much more. It makes it a hell of a lot more difficult to have a home and to pay for it. It is all well and good to say, ‘I’ve got this great asset that’s a home, but I’m not going to sell it to realise that asset.’ That is what you have got to know. ‘Oh, I’ve got this great asset’—so what? When are you going to sell it? How would you buy another one? Are you going to downsize and rent? It is a ludicrous argument.

Mr Ciobo—Equity, mate.

Ms BURKE—It is not equity. People do not see it that way. Few people—

Mr Ciobo interjecting—

MAIN COMMITTEE
Ms BURKE—I actually understand this argument a lot better than you do. Regarding interest rates, the people of Chisholm did not listen to the debate and they were not fooled by the silliness of it. What concerned the people of Chisholm goes to the heart and soul of being a modern Australian. The people of Chisholm do not want to live in a dog-eat-dog world. They want a society where children have a right to a good education—no matter the finances of their family. They want a universal health care system where no-one goes without care because they cannot afford it. They want our elderly to be treated with care, whether they live at home or need nursing home accommodation. They want protection for workers against avaricious corporations or bosses. They want the gap between the rich and the poor to shrivel and not continue to expand. What they want is a fair go for all. This sentiment is not radical; it is something that the Australian country and ethos was built on. It is rooted in our country’s history. Even well-known dissident John Pilger has recently acknowledged that the story we tell about Australia being an egalitarian society is partly true:

Long before most of the world, Australia had a minimum wage, a 35-hour working week, child benefits and the vote for women. The secret ballot was invented in Australia. By the 1960s, Australians could boast the most equitable spread of personal income in the world.

But, after eight years under this government, our sense of egalitarianism and our sense of community is disappearing. We are encouraged to develop the selfish side of our nature, to ask: ‘What’s in it for me?’ John Howard makes $6 billion worth of promises in one afternoon, in one hour of that speech. Money was thrown left, right and centre, but where is the commitment to providing a basic level of health and education? Where is the funding for more aged care beds? Where are more child-care places? Nowhere to be seen.

In all the government’s vote-buying largesse, disadvantaged people were ignored. They will be getting no assistance under this government to help them rise out of their circumstances. In my relatively affluent community more than 2,500 children are growing up in jobless families—and this is in a time when we have record low unemployment. That is more than 10 per cent of the total number of children in my electorate. It is a hidden statistic. If you listen to this government crowing over the unemployment rate, you would not even think this group existed. When the St Vincent de Paul Society held a ‘Vote 1. No More Poverty’ public forum during the election campaign, my Liberal opponent did not even deign to turn up. Doesn’t that speak volumes about his party and his government’s commitment to alleviating poverty?

Middle-income families in my electorate are also finding it harder and harder to keep their heads above water. Consumer price index figures released in January found that education costs in the year to December 2004 increased by 7.7 per cent, which is three times the rate of inflation. A study by the Australian Scholarships Group released last month found that the cost of all levels of education is placing huge financial pressure on Australian families. Australian families are now paying, on average, $37,000 for their child to attend a government school, and $110,000 to attend an independent school. On top of that, parents pay about $56,000 to send a child to university for a three-year degree. The cost of educating a child has become like a second mortgage. It is a very scary statistic, and something we should be very, very concerned about.

Many of the income earners in these families earn less than $52,000 and were left empty handed while their high-income counterparts received a tax cut. It is not an insignificant slice
of our population. About 75 per cent of workers in Chisholm earn less than $52,000 a year. On top of this injustice many of these families have been slugged with a family tax benefit debt. There are about 7,800 recipients of family tax benefit part A in Chisholm. Of these, only 315 would be getting their correct fortnightly entitlement on time. New figures show that only one in 25 Australian families are getting their correct fortnightly payments on time. The average overpayment has risen from $860 to $1,026; yet this government stands by its flawed system, continuing time and time again to saddle these families with inequitable debt when they can least afford it. Get the system right and stop penalising these families.

Many local parents are also facing an uphill battle to find a child-care place. More than 400 children are on waiting lists for child-care places in the city of Whitehorse in my electorate. The Victorian government believes that 8,000 Victorian children will miss out on a long day care place this year, and 5,000 will miss out on family day care places this year. According to a report in the Herald Sun newspaper on 22 January 2004, fees in council, community and private child-care centres increased by at least 20 per cent in 2004. I can tell you from personal experience that child-care fees are an absolute killer. Despite the Minister for Family and Community Services, Senator Kay Patterson, being forced to concede that ‘there may be pockets where demand for care exceeds supply’ this government has no solution and presented no solution at the last election. It does not want to deal with it; it does not want to help these parents. A Labor government would have contributed up to $500,000 in a capital grant to build or renovate a community based child-care centre in my electorate, creating new long day care places—something that is vitally needed. It is no use giving a rebate on child care if you cannot get a place to use that rebate.

This government has also tried to push the crisis in aged care under the carpet. Chisholm is home to some wonderful aged care facilities, but there is a desperate shortage of aged care beds. As at June 2003, the southern metropolitan area of Melbourne had a shortage of 1,603 beds. The member for Moncrieff can shake his head all he likes, but maybe he does not have constituents coming to him week after week asking, ‘Where is a bed?’ Currently, one of my own staff members is out there desperately trying to find a place for her father—and there is not one. There were 1,434 phantom beds, which are the beds that have been promised by the government but which do not actually exist. They are there on paper but they still have not been built. It is appalling.

We also have a scarcity of in-home services. Regardless of what the minister got up on her feet and said yesterday in question time, I say go and talk to your constituents. They are not getting the care they need in the home. It is promised. People make all these self-sacrifices to keep their aged and frail family members at home and then find that the services are not available. They are on very long waiting lists just to get help to feed, bath and look after their elderly people at home. Many of these people are living on their own without any other support services. They want to stay in their homes, but it is virtually impossible without that support. Many people are on waiting lists to receive care and there is no solution in sight for this. The government did not really promise anything at all during the election campaign.

One of the greatest fallacies of the past election was the government’s portrayal of itself as the champion of Medicare. To steal a phrase from the Treasurer, ‘Don’t listen to what they say; look at what they do.’ During the last term of government, the rate of bulk-billing fell by eight per cent in Chisholm to sit at about 72 per cent. At the same time, the up-front cost of...
seeing a local GP went up by $2.80 to an average of $15.70 per visit. Sadly with the election of the government I know that we will continue even further down this user-pays path. No wonder Minister Abbott has been keeping the bulk-billing figures for individual electorates under lock and key. I notice that they are going to come out on Friday afternoon—tomorrow—after months and months of hiding them. It will be fascinating to see how they are going.

There is no happiness in being proved right when your worst fears have come true. Figures released last Friday by the Australian Vice-Chancellors Committee confirmed what I and my Labor colleagues have been saying loudly and clearly throughout the campaign. The AVCC data revealed a five per cent drop in applications across Australia for 2005 university courses. That is a decline of 12,123 applicants. In my electorate, both Monash and Deakin universities have raised fees by 25 per cent this year. Monash’s decision, for example, means that the HECS paid for an arts or science degree has risen from $3,854 to $4,818 per year and for a law or medicine degree it has shot up from $6,427 to $8,033 per year. It is a staggering amount. Young people have voted with their feet to avoid the government’s 25 per cent fee hikes and the country will be that much poorer for it. Even worse, some Victorians who are willing to pay high HECS fees are being denied a university place in their own state because the government has allocated their places to another state. About 2,400 Commonwealth government funded university places have been moved away from Victoria to fill the holes in other states.

Speaking of education and training, my electorate is home to one of the best recognised TAFEs—the Box Hill Institute. At a time of immense skills shortages Box Hill definitely fights above its weight in providing trained workers to eager employers. Nearly 33,000 people are educated at Box Hill Institute every year. Eighty-eight per cent of Box Hill Institute graduates gain employment within 12 months. With that kind of record it has got me why the government wants to go off and establish a handful of new technical colleges across the country. Could it be that it is just an exercise in getting headlines for appearing to respond to our country’s massive skills shortages—shortages which will grow to more than 1,300 skilled workers over the next five years? These new technical colleges will not even open until next year and will not be fully functional until 2008. Instead of wasting millions of dollars in duplicating the existing TAFEs, would it not be smarter to use the funds to create 45,000 new TAFE places immediately? Give the money to the TAFEs that are there and are working now. Why duplicate them? It is just ridiculous.

Given all the issues that I have just touched on, what reason can there be to be optimistic about our future? Again, I return to the people of Chisholm who did vote for a change in government, who backed greater investment in health and education—a needs based approach to schools funding—who implored me to speak out against a war fought on dubious grounds and who continue to lobby me to call the government to account for the cruel and careless treatment of asylum seekers. I am heartened by the Labor members in Chisholm. I am heartened by the voters of Chisholm.

I want to thank the local ALP branch members who gave up not days or weeks but months—because we are on a continuous campaign footing in Chisholm given my margin. Yet again they came out with flying colours. On the day that the election was called, one group of supporters was holding a fundraiser while another group was racing around putting
up garden signs. We definitely won the garden sign war. I owe a huge debt of thanks to Peter Chandler for everything he did but particularly his garden sign commitment. I owe a huge debt of thanks to Kathleen Brasher, who definitely knew what to do. She even turned up one day with a massive basket of fruit when my staff were looking even more run down than they usually do.

I want to thank the President of my FEA, Sebastian Zwalf, for all the work that he did on the ground, particularly turning out young people in massive numbers when we needed them. I would also like to thank my fantastic staff, particularly Ainslie Gowan who worked seven days a week night and day during the campaign. It was a huge learning curve. Thank you to Janet Chiron, to Jason Lebisch, to Abi Henderson and to Louise Roche. To Michelle McDonald who decided in the middle of the campaign to go to Paris, I think we can say thank you but it was a bit rich. To the many others who were also there, the usual stalwarts, to all my local state colleagues, to Bob, Ann, Maxine and their staff—thank you so much. But most of all, as always, I want to thank my great family. It hurt a little during the campaign when Madeleine said to me, ‘I wish they’d vote for someone else’s mummy and then you wouldn’t be so busy.’ But I did like her remark at the end of the election. She said, ‘Now that you’ve won the election, Mummy, what have you won?’ Sometimes I come up here and I am not 100 per cent sure. I want to thank Madeleine, Steve and John and my extended family, as always, for the terrific support they give me.

Mr WAKELIN (Grey) (12.25 p.m.)—In the address-in-reply debate today I will speak on a few general issues. I know I will be interrupted, but there will be more to come if I get the opportunity. On a very sober note, during the break there was a very tragic event in my electorate, so it is appropriate today that I speak a little about the natural disaster arrangements and the magnificent effort that has gone in to assist people. In keeping with what I regard as the magnificent speech from the Governor-General summing up Australia’s position, I have witnessed in recent weeks some of the magnificent attributes of Australians as they help people in significant need after the great tragedy of the lower Eyre Peninsula fires in which nine people lost their lives. For the young families involved, the loss of the lives of the children is particularly difficult to accept.

I would like to speak about the national disaster arrangements between the Commonwealth and the states which have been evolving over many decades. I acknowledge the great reaction from the state government, from the Premier, who was there the next day, and from the Prime Minister’s office. They really were magnificent. It is a great attribute of Australians that when the chips are down you can count on them, whatever their background or beliefs, to be there to help and assist wherever they can. It was simply magnificent.

The national disaster relief arrangements are put in place when personal hardships are involved. Most members are probably not familiar with the document that sets out the arrangements, but when you dust it off and have a look at it you see that the immediate emergency response is the responsibility of the states and that the Commonwealth is there to pick up approximately 50 per cent of the cost, particularly for personal hardship. In the case of lower Eyre, I believe there will be a need for a whole range of support for a long period, including psychological counselling.

There has been an incredible response at a community level, right across my electorate and right across South Australia—at cricket matches, by local publicans and in individual house-
holds, with truckloads of household goods and clothing and $20,000 fundraisers organised at the drop of a hat—and at a local government level by Mayor Joy Baluch of Port Augusta. There have been incredible responses from a whole range of people. I put on the public record the great appreciation I have as an individual and as a federal member because the Eyre Peninsula is my regional home. Lower Eyre is a large area and I live up to 150 kilometres away from the directly affected areas, but I just want to take this opportunity to say in the address-in-reply debate that it was so wonderfully dealt with by a whole range of people.

Can I in the 30 seconds that I have left lead into what I hope will be a second opportunity to talk in the address-in-reply and talk about the great national issue of education and regional education specifically. I think there is much left to be done in this area. As a regional federal member, I will pursue access to university education with great vigour. I put the parliament on notice that we have much that remains to be done. I seek leave to continue my remarks when the debate is resumed.

Leave granted; debate adjourned.

**ADJOURNMENT**

Mr NEVILLE (Hinkler) (12.30 p.m.)—I move:

That the Main Committee do now adjourn.

Nelson Mandela

Mr MARTIN FERGUSON (Batman) (12.30 p.m.)—I rise today to speak in commemoration of the 15th anniversary of the release from prison of one of the world’s natural born leaders—Nelson Mandela. Yesterday marked the 15th anniversary of the day FW de Clerk delivered the news to Nelson that he would soon be a free man after 27 years in prison. He was released two days later, on 11 February 1990. As we all appreciate, history will record the courage and leadership shown by Nelson Mandela over an extended period. He endured almost three decades in South Africa’s harshest prisons as a consequence of speaking up for what he believed in. He stood up for human rights and resisted the harsh and unjust apartheid policies of the ruling forces in his homeland.

His commitment to the people of his homeland is demonstrated by a moving statement that he made from the dock during his trial in 1964 for treason and sabotage. I refer to that speech wherein he said:

I have fought against white domination, and I have fought against black domination. I have cherished the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities. It is an ideal which I hope to live for and to achieve. But if needs be, it is an ideal for which I am prepared to die.

It is well known that after his release from prison he did not go on in a hateful manner. He actually showed his strength as a world leader. He resumed the campaign for democracy and to free his homeland from unjust policies and practices.

In 1991 Mandela was elected president of the African National Congress. In 1993 he was awarded the Nobel Peace Prize, jointly with FW de Clerk. He accepted the award on behalf of all South Africans who had suffered in the pursuit of democracy for their homeland. In 1994 the world was delighted when he was inaugurated as the first democratically elected president of South Africa, a position he held with great dignity until 1999 when he retired from public
life. Despite his retirement, Nelson Mandela has continued to work as a campaigner for democracy and human rights.

That takes me to a speech he recently made about poverty in London’s Trafalgar Square on the eve of the G7 meeting. In that London speech, as part of the Make Poverty History campaign, Nelson raised three challenges for the world leaders of more advanced economic countries: he challenged them to campaign to ensure trade justice, end the debt crisis for the world’s poorest countries and deliver more and better aid. Mandela is a man of few words, but he continues to be a powerful leader in the pursuit of fairness and justice across the world. In his words:

Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life.

He concluded the London speech by saying that we as an international community should:

Make Poverty History in 2005. Make History in 2005. Then we can all stand with our heads held high.

Nelson Mandela also said in Trafalgar Square:

Massive poverty and obscene inequality are such terrible scourges of our times—times in which the world boasts breathtaking advances in science, technology, industry and wealth accumulation—that they have to rank alongside slavery and apartheid as social evils.

He then went on to say:

The Global Campaign for Action Against Poverty can take its place as a public movement alongside the movement to abolish slavery and the international solidarity against apartheid.

I will end with this quote:

I say to all those leaders: do not look the other way; do not hesitate. Recognise that the world is hungry for action, not words. Act with courage and vision.

I challenge the Prime Minister of Australia to take up Nelson Mandela’s challenge, to forget the fact that he opposed the use of sanctions to act to free Mandela and to take up the challenge. (Time expired)

Moncrieff Electorate

Mr CIOBO (Moncrieff) (12.35 p.m.)—In this, the first sitting week of the first parliamentary session for 2005, I am very pleased to reflect on some of the achievements the Howard government has delivered in my electorate of Moncrieff and for the people of the Gold Coast. I raise this to highlight the contrast between the federal government’s commitment to infrastructure and capacity building in our nation, particularly in the city of the Gold Coast, and the way in which the Beattie state Labor government continues to shirk its responsibilities, deny opportunities for future growth and ensure that the Gold Coast will struggle with infrastructure bottlenecks.

In my electorate the Howard government was widely regarded and applauded for delivering at the last election. I know that the people of Moncrieff and the people of the Gold Coast not only rewarded me and the Howard government but also they recognised that there was a mutual benefit as a consequence of the re-election of the Howard government. Obviously, from my perspective, I was very pleased to receive such strong support from my electorate. Likewise, I am very pleased at the fact that the Howard government delivered some $27 million for the CRC for Sustainable Tourism and record funding—over $700 million—under the

MAIN COMMITTEE
tourism white paper. In these two instances alone, the Gold Coast, having some 37 per cent of its local economy dependent on tourism, has seen record visitor numbers over the past several months.

For the film and TV industry we went to the election with a significant new policy which saw the extension of the film tax offset to TV production—another shot in the arm for local Gold Coasters and for the hundreds of people that are employed in the film and television industry. We also saw a record number of new university places and two new medical schools established on the Gold Coast. The new Griffith University medical school, for which I campaigned very strongly, takes its first class of new students this year. I am delighted that we were able to get that off the ground in less than two years.

In addition, we see the new Australian technical colleges, one of which has been slated to be constructed on the Gold Coast. This comes as a consequence of the demand for trade places and the demand for specialist skills. This is a consequence of 14 years of significant economic growth within Australia, thanks primarily to the good governance and economic management of the Howard government. Compare these examples of a government that delivers to a local region with the neglect of the Beattie state Labor government for the people of Moncrieff, the people of the Gold Coast—the fastest growing city in Australia. Despite the fact that the Beattie Labor government is receiving record GST funds and is in a better situation in terms of its budget surplus than it has been for years, it continues to ensure that it is Brisbane based, Brisbane-centric and Brisbane focused.

I am most concerned that the Beattie Labor government continues to deny the Gold Coast the opportunity to ensure that there is an expansion of the M1, to ensure that from Nerang to the New South Wales border there will be four lanes of the M1 for each direction of travel. The Beattie Labor government has turned its back on this project. I am disappointed that the Beattie Labor government refuses to ensure that there are adequate arterial roads on the Gold Coast and that roads like the Nerang and Broadbeach roads continue to become congested and clogged. I am concerned that the Beattie Labor government is not doing anything to ensure that the rail link is constructed more quickly between Nerang and Robina and then beyond Robina to interconnect with the New South Wales rail network. I am concerned that under the Beattie Labor government the Tugun bypass has been held up for years and years and, as a consequence, is preventing the rapid expansion of the Gold Coast airport, which is such a crucial piece of economic infrastructure for the Gold Coast.

On all these levels, it is very clear that the Beattie Labor government is simply not pulling its weight when it comes to infrastructure development on the Gold Coast. I highlight again that the state Labor members have turned their backs on their constituents when it comes to important Gold Coast events, such as the Prime Minister’s Cup, which attract tourists to the Gold Coast. The state Labor members continue to refuse to do any active lobbying to ensure such a significant event remains on the Gold Coast. On every front, despite record GST revenue and a record budget surplus for the Beattie Labor government, they simply are not doing enough to invest in infrastructure and it stands in stark contrast to the Howard government. (Time expired)

Throsby Electorate: Telecommunications Services

Ms GEORGE (Throsby) (12.40 p.m.)—Telstra’s interim profit today amounted to over $2.3 billion and is potentially one of the last profit statements we might receive before the
privatisation of Telstra should the government gets its way. Interestingly enough today’s profit is a further nine per cent increase on the last announcement. There is no doubt that consumers and small businesses have underwritten this record profit by paying through the nose for Telstra services such as line rentals, which have risen astronomically from $11.65 in 2000 to around $29 a month in 2004. It is no wonder that many constituents tell me that owning a home phone is indeed becoming a luxury item, particularly for those on pensions and fixed incomes. Today I want to assert again that Telstra services are not up to scratch and specifically to outline some concerns I have about the delays in the roll-out of broadband provision in a number of suburbs in my electorate.

Not long ago I undertook a survey of constituents, asking them to tell me where they believed Telstra was not performing up to standard. While I have great respect for the Illawarra Telstra Country Wide team, I fear that their plans are constrained by Telstra, whose main object in life seems to be to accumulate massive profits in the lead-up to potential privatisation. This is occurring quite deliberately at the expense of maintenance of the infrastructure and the roll-out of broadband, as I will outline.

Following the survey I had negotiations with Telstra management locally and advised my constituents in my electorate leaflet that areas like Horsley, Albion Park and Shell Cove were deemed to be priority areas for the roll-out of broadband. These suburbs are attracting a good deal of new migration from Sydney. Young professional couples and working couples are moving into these new suburbs where homes are affordable, and they rightly expect that Telstra will provide them with up-to-date telecommunication facilities.

I am particularly concerned that, despite the assurances I was given, there continues to be a lack of progress in the delivery of broadband, in two suburbs in particular—Shell Cove and Flinders. This is causing great inconvenience to many of my constituents. Let me read an email that is typical of many I receive. It says:

I AM DISGUSTED!!

After being told that I cannot get ADSL broadband in a brand new development, I reluctantly agreed to ISDN.

Today I received a second set of instructions including a second CD on how to be a customer of ISDN.

What a waste of money!!!!!!

Surely this money could be better spent on enabling me to become an ADSL customer!!!!!

My wife is a public servant who due to changes in work must work from home to provide articles to the newspaper including numerous graphic images as well as other duties that require the sending of email images that require long delays on snail email.

Yet we live in a brand new suburb touted as the way of the future.

We cannot get up to the minute broadband!!!!!!!!!!!!!!!!!!!!!!!!!!!!

And Telstra wastes money providing us with two copies of every bit of information we need for a sub-standard service.

Would this money not be better spent on updating modern telephone lines to enable fast broadband services?

I was advised that Shell Cove was identified as a priority for ADSL enablement back in March 2004. I was told of plans for a remote MDF facility to provide ADSL to that area. In September 2004, Telstra advised me the completion of the facility would be around Easter
2005, yet in January this year I was advised that the tender for the building of the facility would not be announced for another six weeks and that construction would take 26 weeks. In addition to the delays at Shell Cove, which had been identified as a priority, Telstra continue to let down the residents of the whole suburb of Flinders, who still have no ADSL services. While they have developed a project worth something in the order of $390,000 to rectify the situation, financial approval is yet to be received. I have written to the minister for communications, making her aware of these problems and urging her to take the necessary steps to ensure approval for the roll-out of broadband in Flinders and a speeding up of delivery of services in Shell Cove. A visit to the Illawarra by the minister would surely convince her that services are not up to scratch and that there is just no case for the selling off of Telstra.

Education: Teachers

Mr LAMING (Bowman) (12.45 p.m.)—After parenting, as I am sure you would agree, Mr Deputy Speaker Causley, no single career is more vital to the future of Australia than teaching. As role models, teachers shape the lives and the productivity of our nation, so we simply cannot afford what we have seen in the last generation: an aptitude decline in the quality of those who consider teaching as a profession. It is a tragedy that many skilled teachers seek less challenging environments at the expense of the high-needs schools in disadvantaged areas where they are most needed. It defies belief that such a vital profession is one of the last remaining that lacks financial incentives for their best performers, those teachers proven to achieve results. Only financial incentives for teachers based on student gains against national benchmarks can offer the solution to the three problems I have just listed. Far from picking on teachers, this is about knowing what is going on in our schools. It is about identifying and rewarding good teachers, and of course providing that drive to improve.

Extensive American research has shown entrance scores for student teachers have declined over a generation. Obviously, better paying professional opportunities for women have arisen in the last generation but, more importantly, unionised flat salary scales have effectively tied teacher pay to experience rather than performance. Meanwhile it is society that pays the price, and we do not quite know how needy children in tough schools are performing when there is often teaching by inexperienced new graduates. Of course at the other end the truly good teachers are being sucked out of the state system and into other often less challenging environments in the private sector. Likewise, for the sake of our weaker teachers and those they teach, we have to be prepared to intervene before it is too late for our struggling pupils.

The problem is that no-one knows who is doing what to whom and, worse still, we have not begun to look. Like the rest of society in the 21st century, teachers have every reason to expect pay to be linked to performance and productivity. At a state level we do not really know how education systems are performing. Already we have some benchmarks performed at year 3 reading. The findings are alarming: Victorian year 3 students are 20 per cent more likely than their New South Wales counterparts to fail those simple nationwide benchmarks. What is more disturbing is that Queensland and South Australian students are 33 per cent more likely to fail the same benchmark reading test at a similar age. I am sure analysing individual schools and teachers would also find similar variations, variations that in medicine or health we would find appalling and alarming. They would spark outrage.

The plan by the Minister for Education, Science and Training, Dr Nelson, to report to parents in plain English is a start, but if those findings are not benchmarked you are simply re-
porting junk in plain English. All of this does need to be benchmarked because, after all, one
day children will all face a cold, hard figure—a cold, hard number or score—to gain entry
into very sought after courses, so we should not pretend until it is too late for anyone to do
anything about it that numbers do not count. The solution is to take those two-yearly bench-
marking tests that we are doing now, make them end of year and do them annually. Let par-
ents know annually those performances and, most importantly of all, reward teachers for the
value that they add above benchmark scores. If they improve students relative to a bench-
mark, they are rewarded. The gains are going to be greatest in those disadvantaged schools,
and that will be a further incentive to address that skew that drives the best teachers in many
cases to less challenging environments as they gain seniority in the profession. Before anyone
convinces you that this is completely unworkable, keep in mind that state education depart-
ments are already collecting this very information. Since 2001, right up to 2004, every single
student has been scored along with a teacher identifier to which the score is linked. It is not a
hard thing to do but, beholden to the unions, state education departments are simply too timid
to use that information in any meaningful way.

Teachers want to know what works. They need to know how students perform at different
levels of ability. Consider three teachers: one may be exceptionally skilled at advancing gifted
students, another may be fantastic and may shine with those that are disadvantaged or de-
layed, and the third may be having difficulty and not achieving advances in class mean or at
any level. Teachers need to know that; parents need to know that. At the moment that informa-
tion is lost from a report card. It may be known by the principal vaguely but, most impor-
tantly, parents are left completely in the dark. Only when skilled and motivated teachers can
be attracted to areas where they can have the greatest gains will the profession begin to ad-
vance and the needs of students be addressed. Denying good teachers incentive payments
means talent goes unrecognised and children pay the price. The trade union’s stranglehold on
teaching and wages is to blame because it sees students as simply being there for its members
and not the other way round. (Time expired)

Indian Ocean Tsunami

Mrs IRWIN (Fowler) (12.50 p.m.)—The tragedy of the Asian tsunami on 26 December
was a reminder to us all of the power of our natural environment. The aftermath has also been
a reminder of the extent of human compassion and generosity. That generosity is all the more
appreciated when it comes from areas such as my electorate of Fowler. With one of the lowest
household income levels in the country, the people of Fowler have shown that they deeply
care for the fate of their fellow human beings. When I returned to work in my electorate office
in Cabramatta on 4 January, I was met by leaders of the Vietnamese elderly group who asked
me to pass on their donation of more than $800 for relief agencies. As a group whose passage
to Australia was made in small boats, they are well aware of the perils of the sea. They also
witnessed great hardship in their personal lives before coming to Australia, so their compas-
sion and generosity is all the more appreciated. Today I would like to extend my thanks, and
the thanks of the people that I represent, to Mr Bao and Mr Sang and all the members of the
Vietnamese elderly for their donations.

A little later that day I received a call from Mr Matt Smolcich of the Cardinal Stepinac Vil-
lage aged care facility in St Johns Park, also in my electorate. Each year the residents of the
village conduct an Australia Day charity drive. Last year the village raised funds for the
Westmead Children’s Hospital and the year before, as I informed the House at the time, Cardinal Stepinac Village raised over $20,000 for the Canberra bushfire appeal. Matt told me that this year the appeal would go to Care Australia and Caritas to help with their relief work for the victims of the tsunami. The coordinators—including Mrs Kardum, Boris Lauric, Anita Tomasovich and Milan Bogovic—pulled out all stops in their appeal. The appeal collected donations at the Saint Nikola Tavelic church next to the village and over Croatian language radio and received an overwhelming response. The Cardinal Stepinac Village raised donations totalling $136,430. This was a remarkable achievement on the part of the organisers and residents of Cardinal Stepinac Village. Again the people who have personally experienced great hardship and suffering in their earlier lives appreciate the suffering of others, and this has led them to give generously.

Similar compassion and generosity was evident in the Western Sydney Chinese community. I have a very large community of Chinese within my electorate. Its tsunami relief appeal raised more $336,000 for Red Cross relief work. The Western Sydney Chinese committee, in my electorate again, includes groups such as the Indochina elderly association, the Australian Chinese Buddhist Society and the Timor-Chinese Association. Another Western Sydney group which has answered the call to assist those in need is the Italian Affair Committee. Over the past 18 years the committee has raised over $15 million for various local and overseas causes. On this occasion the Italian Affair Committee held a benefit night which was attended not only by me but also by the New South Wales Premier, Bob Carr, and the new federal opposition leader, Kim Beazley. Organisers Roy Spagnolo and Pat Sergi put in a huge effort in arranging the night, which resulted in the committee raising over $800,000—a magnificent achievement. The money raised will go to Rotary for rebuilding works and to Father Riley’s Youth Off the Streets organisation to provide assistance and accommodation to some of the many children orphaned by the tsunami tragedy.

Mr Deputy Speaker, if you have been keeping a tally of the donations you will realise that they total well over $1 million from people in Western Sydney in the electorates of Fowler and Werriwa. Many of these people live in the Fowler electorate that I am proud to represent in this parliament. I express my thanks to all of those who made donations, large and small, to these appeals and the many other appeals that showed our compassion and generosity as a community and as a nation.

Foreign Affairs: Thailand

Mr ROBB (Goldstein) (12.55 p.m.)—Today I wish to extend my sincere sympathies to the people of Thailand for the great loss and the sadness they have suffered as a result of the Boxing Day tsunami. I also congratulate the Thai government and the Thai people on the professional, compassionate and effective way they have gone about dealing with this terrible disaster.

I have had the good fortune over recent years to work closely with the Thai government and the Thai business community while assisting with investment and trade opportunities being undertaken by a range of Australian companies in Thailand. The Thai people have a rich culture. They are a very friendly, optimistic, energetic, enterprising and resilient people. This resilience and enterprise has been on display in the way they have dealt with the recent major crises, such as the Asian economic crisis of the late 1990s and the devastation of the tsunami.
As at 8 February, the death toll from the tsunami in Thailand stood at 5,400 people, with a further 3,000 missing. The worst affected areas are the Phang Na, Ranong, Trang, Phuket and Krabi provinces. These areas are also the key tourist areas in Thailand. At least 2,400 fishing boats have been destroyed, along with 6,000 houses, 50 schools and 19 government buildings, and 54,000 farm animals were killed.

As with the Australian government, the response of the Thai government was immediate and comprehensive. Prime Minister Thaksin Shinawatra led the grieving, the contact with victims and the recovery steps. He declined offers of international aid, other than technical assistance, such as victim identification, indicating that Thailand was in a position to take full responsibility itself for the recovery measures. To this end the Thai government has approved 28 billion baht, or over $US700 million, in assistance to the Thai people. This response reflects the growing and impressive performance of the Thai economy, with growth rates at over six per cent and poverty levels now under 10 per cent. I think their economic performance in the region, among Asian countries, is second only behind China.

Thailand has been a strong friend in the region and is an increasingly important partner. The growth rate of trade, both to and from Thailand and Australia, has been at an average annual rate of around 15 per cent for each year since 1985-86, with total trade in 2003 at over $7 billion. The free trade agreement signed last year between our two countries was the first free trade agreement Thailand had signed with a developed country and will turbocharge the trading relationship between our two countries and enhance our cultural links, which are growing by the day.

Finally, I would like to congratulate Prime Minister Thaksin Shinawatra on his stunning electoral victory last weekend. Prime Minister Thaksin is the first Thai Prime Minister to finish a full four-year term but also the first Thai Prime Minister to win a second successive term, and his victory is testament to his outstanding economic leadership of Thailand. In doing so, the Thai Rak Thai party, led by Prime Minister Thaksin, increased its majority by nearly 100 seats, to 399 of the 500 seats in the parliament. In achieving this outstanding victory, 33 million voters, or 76 per cent of all eligible voters, turned out. This is up from 69.9 per cent in 2001, when the Thai Rak Thai party first won office. I would suggest that democracy is alive and well in Thailand, and it is a great thing to see.

I commend the Thai people and the Thai government on their magnificent response to the tsunami and on their general progress—both economically and in other ways—and as a member of parliament I look forward to helping to build on the strong relationship between our two countries.

Main Committee adjourned at 1.00 p.m.
QUESTIONS IN WRITING

Health: Medical Practitioners
(Question No. 34)

Mr Murphy asked the Minister for Health and Ageing, in writing, on 16 November 2004:

(1) What proportion of medical practitioners in Australia are (a) general practitioners, and (b) specialists.

(2) In respect of the incurred but not reported liability for United Medical Protection, what proportion of the liability is attributable to specialists.

(3) In respect of the sum of the levies being paid by all medical practitioners, what proportion is being paid by (a) general practitioners, and (b) specialists.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) (a) and (b) According to the report Australian Medical Labour Force 2001, by the Australian Institute of Health and Welfare (AIHW), there were 53,384 registered medical practitioners in Australia in 2001 (latest available data on all registered medical practitioners). Of this number, 92% were classified as clinicians while the other 8% were administrators, teachers, researchers, etc.

The report states that, of the total number of clinicians, 44% were classified as general practitioners and 35% were specialists. The remainder were registered medical practitioners working in hospitals who were not specialists, or registered medical practitioners undergoing vocational training to become medical specialists.

General practitioners thus made up 56% of the combined pool of general practitioners and specialists.

(2) The estimate of United Medical Protection’s (UMP) incurred but not reported liability provided to the Government are not broken down between specialists and others. The liability is estimated collectively rather than separately for different categories of doctor.

(3) (a) and (b) Based on information provided by the Health Insurance Commission, of the proportion of medical practitioners paying a levy, the proportion of levies paid in respect of the first contribution year by general practitioners is 58% and the proportion paid by specialists is 42%. This proportion is likely to change when the moratorium on higher contributions ceases.

Throsby Electorate: Bulk-Billing
(Question No. 77)

Ms George asked the Minister for Health and Ageing, in writing, on 16 November 2004:

(1) What is the breakdown of the proportion of total unreferred GP attendances bulk-billed for the electoral division of Throsby for the quarter ending 30 September 2004, or the most recent available quarter.

(2) What is the breakdown of the number of total unreferred GP attendances bulk-billed for the electoral division of Throsby for the quarter ending 30 September 2004, or the most recent available quarter.

(3) What is the breakdown for the average patient contribution per service (patient billed services only) for total unreferred GP attendances for the electoral division of Throsby for the quarter ending 30 September 2004, or the most recent available quarter.
(4) What is the breakdown for the number of services for total unreferred GP attendances for the electoral division of Throsby for the quarter ending 30 September 2004, or the most recent available quarter.

Mr Abbott—The answer to the honourable member’s question is as follows:

Medicare statistics by electorate are no longer produced on a quarterly basis. Statistics by electorate are available on a calendar year basis.

(1) The proportion of total unreferred GP attendances bulk billed for the electoral division of Throsby in 2003 was 94.2%.

(2) The number of total unreferred GP attendances bulk billed for the electoral division of Throsby in 2003 was 746,117.

(3) The average patient contribution per patient billed service for unreferred GP attendances in the electoral division of Throsby in 2003 was $12.49.

(4) The number of unreferred GP attendances for the electoral division of Throsby in 2003 was 792,359.

Environment: National Heritage Trust

(Question No. 188)

Mr Kelvin Thomson asked the Minister representing the Minister for the Environment and Heritage, in writing, on 29 November 2004:

(1) What sum has been allocated from the National Heritage Trust to all projects to date.

(2) What sum has been allocated from the National Heritage Trust to projects within the electoral division of Deakin and what are the details of the projects.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) From the commencement of the Natural Heritage Trust to 6 December 2004, $2.1 billion has been allocated to projects across Australia.

(2) As of 6 December 2004 the sum allocated from the Natural Heritage Trust to projects wholly within the Electorate of Deakin was $16,400. (Further detail on these projects is contained in Attachment A).

Regional information for projects supported under the Natural Heritage Trust extension (‘NHT2’) is not available for individual electorates as the boundaries for Natural Resource Management (NRM) regions are not fully congruent with electorate boundaries.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15409</td>
<td>Bushcare</td>
<td>Vic</td>
<td>Deakin</td>
<td>Integrated Bushland Rejuvenation</td>
<td>8,700</td>
<td>3,900</td>
<td>3,200</td>
<td>13,800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38016</td>
<td>Envirofund</td>
<td>VIC</td>
<td>Deakin</td>
<td>Revegetation and Regeneration of a Lakeside Section of Blackburn Lake Sanctuary</td>
<td>2,600</td>
<td>2,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Mr Bevis asked the Attorney-General, in writing, on 29 November 2004:

How many employees of the Minister’s department (a) had their conditions of employment set by an AWA at (i) 30 June 2001, (ii) 30 June 2002, (iii) 30 June 2003, and (iv) 30 June 2004, and (b) currently have their conditions of employment set by an AWA.

Mr Ruddock—The answer to the honourable member’s question is as follows:

In relation to (a) above, the department does not record historical information in relation to AWAs. However the following has been extracted from hard copy documents as close as possible to the date requested.

(i) As at 30 June 2001 44 SES employees had their terms and conditions set by way of an AWA plus approximately 4 non-SES employees (excluding staff from the Australian Government Solicitor working with the Department).

(ii) As at 30 June 2002 51 Senior Executive Service employees had their terms and conditions set by way of an AWA plus 6 non-SES employees as at November 2002 (excluding Royal Commissions and staff from the Australian Government Solicitor working with the Department).

(iii) As at 30 June 2003 95 employees had their terms and conditions set by way of an AWA (33 casual staff employed in the National Security Call Centre and 62 Senior Executive Service employees). There were also 7 non-SES employees as at November 2003 whose terms and conditions were set by way of an AWA (excluding Royal Commissions).

(iv) As at 30 June 2004 105 employees had their terms and conditions set by way of an AWA (34 casual staff employed in the National Security Call Centre, 58 Senior Executive Service employees and 13 non-SES employees)

In relation to (b) above, the department currently has 102 employees (31 casual staff employed in the National Security Call Centre, 55 Senior Executive Service employees and 16 non-SES employees) whose conditions of employment are set by an AWA.
Brand Electorate: Job Network Providers  
(Question No. 225)

Mr Beazley asked the Minister for Employment and Workplace Relations, in writing, on 30 November 2004:

(1) How many Job Network providers are currently operating in the electoral division of Brand and what are their names and addresses.

(2) How many job seekers are currently registered with (a) each Job Network provider, and (b) each office of each provider in the electorate of Brand.

(3) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, in (i) Australia, and (ii) the electoral division of Brand, how many Newstart or Youth Allowance recipients were placed into jobs through assistance from Job Network providers.

(4) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many long-term unemployed people (i) in total, and (ii) as a proportion of all unemployed people, participated in intensive assistance programs in the electoral division of Brand.

(5) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many of the people who have participated in intensive assistance in the electoral division of Brand have participated on (i) one occasion, (ii) two occasions), (iii) three occasions, and (iv) more than three occasions.

(6) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many job seekers who participated in intensive assistance in the electoral division of Brand found employment and what proportion found (i) full-time, (ii) part-time and (iii) casual employment.

(7) How many Work for the Dole providers are currently operating in the electoral division of Brand, what are their names and address and what programs do they offer.

(8) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Brand found employment.

(9) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, what proportion of people who participated in a Work for the Dole program in the electoral division of Brand found (i) full-time, (ii) part-time, and (iii) casual employment following their placement.

(10) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Brand were in (i) full-time, (ii) part-time, (iii) casual employment three months after completing their placement.

Mr Andrews—The answer to the honourable member’s question is as follows:

(1) and (2) Job Network is administered on the basis of 19 Labour Market Regions and 137 Employment Services Areas (ESAs), the boundaries of which do not align with those of federal electorates. Job seekers choose Job Network members for a variety of reasons including location, proximity to transport routes and Centrelink offices, or the satisfaction of friends and others. Job seekers residing in one electorate or ESA may elect to be assisted through Job Network sites located in adjoining electorates or ESAs. For illustration, job seekers residing in the electorate of Brand may be assisted through Job Network sites located in the electorate of Canning. The Dale and Kwinana/Rockingham ESAs are most closely aligned with the electorate of Brand and, therefore, answers are provided with reference to these ESAs.

There are currently 4 employment services providers operating in the Dale ESA and 6 in the Kwinana/Rockingham ESA. The names and office locations of all Job Network members and Job Placement Only organisations currently operating in these ESAs are shown in Table 1.
Table 1—ESC3 Employment Service Providers and Sites and Job Seeker Numbers

<table>
<thead>
<tr>
<th>Employment Services Provider</th>
<th>Site Location</th>
<th>Site Address</th>
<th>Contract Type</th>
<th>Job Seekers</th>
<th>Service Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dale ESA</td>
<td>Mandurah</td>
<td>2 Tuart Ave</td>
<td>Generalist</td>
<td>1,358</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td>JOB futures Ltd</td>
<td></td>
<td></td>
<td>Specialist (Youth)</td>
<td>351</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>1,709</td>
<td></td>
</tr>
<tr>
<td>Mission Australia</td>
<td>Mandurah</td>
<td>77 Pinjarra Rd</td>
<td>Generalist</td>
<td>1,125</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td>Pinjarra</td>
<td>Cnr Murray &amp; James Streets</td>
<td>Generalist</td>
<td>194</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>1,319</td>
<td></td>
</tr>
<tr>
<td>Murray House Resource Centre Incorporated</td>
<td>Pinjarra</td>
<td>Cnr Murray &amp; James Streets</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Peel Personnel Incorporated</td>
<td>Mandurah</td>
<td>26 Quarry Way</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Kwinana/Rockingham ESA</td>
<td>Kwinana</td>
<td>Suite 2, Kwinana Professional Ctr, 4 Challenger Ave</td>
<td>Generalist</td>
<td>584</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td>IPA Personnel Pty Ltd</td>
<td>Rockingham</td>
<td>10 Leghorn Street</td>
<td>Generalist</td>
<td>1,015</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>1,599</td>
<td></td>
</tr>
<tr>
<td>JOB futures Ltd</td>
<td>Kwinana</td>
<td>Unit 25, 40-46 Meares Crescent</td>
<td>Generalist</td>
<td>100</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td>Rockingham</td>
<td>1/11 Council Ave</td>
<td>Generalist</td>
<td>330</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>430</td>
<td></td>
</tr>
<tr>
<td>Professional Vocational Services Pty Ltd</td>
<td>Rockingham</td>
<td>Unit 11/3, Clifton St</td>
<td>Generalist</td>
<td>1,359</td>
<td>JNM/JPO</td>
</tr>
<tr>
<td>Reliable People Worldwide Pty Ltd</td>
<td>Rockingham</td>
<td>Suite 11, 85 Chalgrove Avenue</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Skilled Engineering Limited</td>
<td>Kwinana</td>
<td>Unit 2, Lot 430 Beach Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>South Metropolitan Youth Link Inc</td>
<td>Rockingham</td>
<td>10 Crompton Rd</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
</tbody>
</table>

Note: Site details and job seeker Active Caseload numbers are as at 26 November 2004. JNM = Job Network member; JPO = Job Placement Only organisation (these organisations are not allocated a specific business share, but compete to secure vacancies from employers and to refer eligible job seekers).

(3) The numbers of Newstart and Youth Allowance recipients placed into jobs through assistance from Job Network providers in the years 2000, 2001, 2002, 2003 and 2004, in (i) Australia and (ii) the Dale and Kwinana/Rockingham ESAs, are shown in Table 2.

Table 2—Total Job Placements for Newstart and Youth Allowance Recipients

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Australia</th>
<th>Dale ESA</th>
<th>Kwinana/Rockingham ESA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>232,395</td>
<td>791</td>
<td>1,328</td>
</tr>
<tr>
<td>2001</td>
<td>289,070</td>
<td>980</td>
<td>1,445</td>
</tr>
<tr>
<td>2002</td>
<td>311,882</td>
<td>1,047</td>
<td>1,671</td>
</tr>
<tr>
<td>2003</td>
<td>263,149</td>
<td>892</td>
<td>1,524</td>
</tr>
<tr>
<td>2004 (to 26 Nov 2004)</td>
<td>417,070</td>
<td>1,218</td>
<td>2,149</td>
</tr>
</tbody>
</table>

Note: Numbers for 2003 and 2004 include placements made by ESC3 Job Placement Only Organisations that do not deliver Job Network services. Numbers for 2004 are to 26 November 2004. Total Job Placements include those that may become long term job outcomes at a later stage.

QUESTIONS IN WRITING
(4) The number of long term unemployed jobseekers who commenced in Intensive Assistance in the Dale and Kwinana/Rockingham ESAs in the years 2000, 2001, 2002, 2003 and 2004 are shown in Table 3. The Table also includes details of these commencements as proportions of the total number of commencements.

No direct comparisons can be made between commencements after 30 June 2003, when the Active Participation Model (APM) commenced, and those in previous years. Under the APM, job seekers are assisted by a single Job Network member throughout their term of unemployment. Under previous arrangements, job seekers entered Intensive Assistance for a duration of 12 months.

Table 3—Intensive Assistance Commencements for the Long Term Unemployed

<table>
<thead>
<tr>
<th>Year</th>
<th>Dale ESA</th>
<th>Proportion of Total Commencements</th>
<th>Kwinana/Rockingham ESA</th>
<th>Proportion of Total Commencements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Long Term Unemployed Commencements</td>
<td></td>
<td>Long Term Unemployed Commencements</td>
<td></td>
</tr>
<tr>
<td>Intensive Assistance</td>
<td>2000</td>
<td>549</td>
<td>61.5%</td>
<td>960</td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>619</td>
<td>57.2%</td>
<td>732</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>659</td>
<td>57.1%</td>
<td>834</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>245</td>
<td>54.8%</td>
<td>273</td>
</tr>
<tr>
<td>Intensive Support Under</td>
<td>2003</td>
<td>828</td>
<td>57.1%</td>
<td>1,119</td>
</tr>
<tr>
<td>the Active Participation</td>
<td>2004 (to 26 Nov 2004)</td>
<td>503</td>
<td>34.2%</td>
<td>622</td>
</tr>
<tr>
<td>Model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Long term unemployed jobseekers are those registered as unemployed for 12 months or more. Numbers for Intensive Assistance in 2003 are to 13 June 2003 when jobseekers ceased commencing Intensive Assistance prior to the introduction of the Active Participation Model (APM) on 1 July 2003. Numbers for Intensive Support in 2003 are from 1 July 2003 when the APM commenced. Numbers for 2004 are to 26 November 2004. Job seekers eligible for Job Search Support Only and job seekers whose periods of unemployment were unknown have been excluded from the calculation of percentages.


From 1 July 2003, improvements to the delivery of Job Network services were introduced through implementation of the APM. This new approach sees job seekers assisted by a single Job Network member for the full duration of their unemployment, allowing the service provider to develop a detailed understanding of each job seeker’s needs.

(6) Data on the type of employment (e.g. full-time, part-time) gained by Job Network participants is gathered through the Post Programme Monitoring (PPM) survey. The PPM survey measures job seekers’ outcomes three months after they have left assistance. PPM estimates for Intensive Assistance for the Dale and Kwinana/Rockingham ESAs in the years 2000, 2001 and 2002 are shown in Table 4. Table 4 includes (a) the total in Employment and (b) the proportions in (i) full time, (ii) part time and (iii) casual employment. The data for 2003-04 in Table 4 is for Intensive Support Job Search Training outcomes for the financial year.
Table 4—Intensive Assistance Post Programme Monitoring Outcomes

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employment %</th>
<th>Full-time Employment %</th>
<th>Part-time Employment %</th>
<th>Casual Employment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dale ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>41.8</td>
<td>15.8</td>
<td>26.1</td>
<td>28.5</td>
</tr>
<tr>
<td>2001</td>
<td>40.2</td>
<td>15.1</td>
<td>25.2</td>
<td>26.7</td>
</tr>
<tr>
<td>2002</td>
<td>42.1</td>
<td>17.7</td>
<td>24.4</td>
<td>30.1</td>
</tr>
<tr>
<td>2003-04</td>
<td>49.0</td>
<td>19.1</td>
<td>29.9</td>
<td>33.0</td>
</tr>
<tr>
<td>Kwinana/Rockingham ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>38.5</td>
<td>16.8</td>
<td>21.7</td>
<td>22.9</td>
</tr>
<tr>
<td>2001</td>
<td>40.5</td>
<td>19.8</td>
<td>20.7</td>
<td>24.0</td>
</tr>
<tr>
<td>2002</td>
<td>44.8</td>
<td>21.2</td>
<td>23.6</td>
<td>27.3</td>
</tr>
<tr>
<td>2003-04</td>
<td>53.3</td>
<td>25.9</td>
<td>27.4</td>
<td>34.1</td>
</tr>
</tbody>
</table>

Note: 2003-04 PPM data are for Intensive Support Job Search Training. Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

(7) Community Work Coordinators (CWCs) are contracted to provide Work for the Dole services on an ESA basis. The CWCs providing services in the Dale and Kwinana/Rockingham ESAs and their office locations are shown in Table 5.

Table 5—Community Work Co-ordinators and Site Locations

<table>
<thead>
<tr>
<th>CWC Provider</th>
<th>Site Location</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dale ESA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community First Inc</td>
<td>Mandurah</td>
<td>6 Cumberland Dve</td>
</tr>
<tr>
<td>Mission Australia</td>
<td>Mandurah</td>
<td>77 Pinjarra Rd</td>
</tr>
<tr>
<td>Kwinana/Rockingham ESA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bridging the Gap Rockingham-Kwinana</td>
<td>Rockingham</td>
<td>11 Council Ave (1st Fl Hunsdon House)</td>
</tr>
<tr>
<td>Mission Australia</td>
<td>Rockingham</td>
<td>Unit 2, 5 Goddard St</td>
</tr>
</tbody>
</table>

(8) (9) and (10) Work for the Dole is a work experience programme. Employment is not a stated objective of the programme, however, the valuable work experience gained through the programme combined with the continued support of the Job Network, supports the objectives of the APM.

The PPM survey measures job seekers’ outcomes three months after they have left assistance. Outcomes estimates for Work for the Dole are shown in Table 6 for (a) the total proportion in employment and (b) the proportion in (i) full-time, (ii) part-time and (iii) casual employment following their placement. Results for the Dale and Kwinana/Rockingham ESAs have been aggregated together due to small sample sizes.

Table 6 shows the post programme status of clients who undertook Work for the Dole in the Dale and Kwinana/Rockingham ESAs.

Table 6:—Work for the Dole Post-Programme Monitoring Outcomes

<table>
<thead>
<tr>
<th>Dale and Kwinana/Rockingham ESAs</th>
<th>Total Employment (%)</th>
<th>Full-time Employment (%)</th>
<th>Part-time Employment (%)</th>
<th>Casual Employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2001</td>
<td>21.2</td>
<td>10.1</td>
<td>11.2</td>
<td>15.1</td>
</tr>
<tr>
<td>2002</td>
<td>21.6</td>
<td>10.4</td>
<td>11.2</td>
<td>14.0</td>
</tr>
<tr>
<td>2003</td>
<td>23.4</td>
<td>11.3</td>
<td>12.0</td>
<td>14.3</td>
</tr>
<tr>
<td>2004</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

In 2000 and 2004 there were insufficient numbers of survey respondents in the Dale and Kwinana/Rockingham ESA's to provide statistically reliable outcome estimates for Work for the Dole.

Health: Medicare Safety Net
(Question No. 240)

Mr Beazley asked the Minister for Health and Ageing, in writing, on 1 December 2004:

(1) Are the costs of medical procedures associated with an IVF program currently included in an individual’s Medicare Safety Net entitlement; if so (a) what has been the cost to date, and (b) what is the estimated cost for this financial year.

(2) What proportion of births in Australia result from IVF processes.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) Yes – for out patient services. (a) For the period 12 March 2004 to 30 November 2004, $18,405,791 was spent under the Medicare safety net on IVF out patient services. (b) The estimated cost to the safety net on IVF out patient services in the financial year 2004-05 is $36,000,000.

The 2004-05 estimate takes into account the billing practices of IVF providers and the number of registrations for the safety net.

Service utilisation is approximately 8,000 to 9,000 IVF out patient services billed to Medicare per month, with December being typically slightly higher, offset by slightly lower than average utilisation in January. Based on these utilisation rates it is expected that safety net expenditure for IVF services will be about $3.2 million per month. It should be noted that for the early part of the 2004-05 financial year (July and August 2004) registration for the safety net was still occurring, thus expenditure in these months was less than the average of $3.2 million.

(2) Population estimates suggest that babies born following assisted reproductive technology including IVF constitute about 2% of all births in Australia (Source: Australian Institute of Health and Welfare National Perinatal Statistics Unit).

Treasury: Legal Services
(Question No. 264)

Ms Roxon asked the Treasurer, in writing, on 2 December 2004:

(1) What sum did the Minister’s department spend during 2003-2004 on outsourced (a) barristers, and (b) solicitors (including private firms, the Australian Government Solicitor and any others).

(2) What sum did the Minister’s department spend on internal legal services.

(3) What is the projected expenditure on legal services for 2004-2005 for the Minister’s department.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) Department of the Treasury spent $1,549,000 on outsourced barristers and solicitors during 2003-04. Barristers are engaged through the Australian Government Solicitor and/or private firms – as a result, these costs are included in the expenditure relating to solicitors.

(2) Nil – Treasury had no expenditure on internal legal services.

(3) Treasury's budgeted (projected) expenditure on legal services for the 2004-2005 financial year is $1,463,000.
Ms Roxon asked the Attorney-General, in writing, on 2 December 2004:

(1) What sum did the Minister’s department spend during 2003-2004 on outsourced (a) barristers, and (b) solicitors (including private firms, the Australian Government Solicitor and any others).

(2) What sum did the Minister’s department spend on internal legal services.

(3) What is the projected expenditure on legal services for 2004-2005 for the Minister’s department.

Mr Ruddock—The answer to the honourable member’s question is as follows:

(1) (a) The amount spent by the Attorney-General’s Department on outsourced legal services provided by barristers for 2003–04, including disbursements, was $2,653,325.15 (GST inclusive). In response to question on notice 3185, which was asked by the honourable member on 1 March 2004, I advised that the amount spent on outsourced legal services provided by barristers engaged through the Australian Government Solicitor for 2002–03 was $711,244.15 (GST inclusive). I wish to correct that answer as follows. I am now advised that the total expenditure on barristers for 2002–03, including those engaged directly or through the Australian Government Solicitor, and including disbursements, was $2,655,157.69 (GST inclusive). The additional $1,943,913.54 was wrongly recorded as expenditure on solicitors.

(b) The amount spent by the Attorney-General’s Department on outsourced legal services provided by solicitors for 2003–04, including disbursements, was $5,961,552.85 (GST inclusive). In question on notice 3185, which was asked by the honourable member on 1 March 2004, I advised that the amount spent on outsourced legal services provided by solicitors for 2002–03 was $7,109,283.57 (GST inclusive). I wish to correct that answer as follows. I am now advised that the total expenditure on solicitors in 2002–03 was $5,165,370.03 (GST inclusive). The original figure wrongly included expenditure of $1,943,913.54 on barristers.

(2) The Attorney-General’s Department does not have a separate legal services branch as such. Within the Department there are units that provide both internal and external services, principally the Office of International Law, the Office of Legislative Drafting and Publishing, and the Counsel assisting the Solicitor-General. Legal services are provided at no cost to the areas of the Department receiving the services. There is no billing arrangement for internal legal services and separate records are not kept about this expenditure. These expenses are treated as part of the aggregate of staffing costs for the Department.

An estimate of the cost of internal legal services has been derived from an assessment of the number of staff involved in providing internal legal services and the proportion of their time involved in providing those services. The staff of the Office of International Law devoted to providing internal legal services are the full time equivalent of 0.5 of an APS3, 1.0 Legal Officer, 1.0 Senior Legal Officer, 1.0 Principal Legal Officer and 0.5 of an SES Officer. The staff of the Office of Legislative Drafting and Publishing devoted to providing internal legal services are the full time equivalent of 0.2 of a Legal Officer, 1.0 Senior Legal Officer, 0.3 of a Principal Legal Officer and 0.1 of an SES Officer. 0.5 full time equivalent of the Counsel assisting the Solicitor-General (a Principal Legal Officer) is devoted to providing legal services to the Department.

The cost of internal legal services was then estimated based on salary levels for these positions and increased by a factor reflecting typical staffing and other overheads within the Department.

By this method, it is estimated that approximately $900,000.00 was spent on internal legal services by the Department in 2003–04.
In addition, the costs of the office of the Solicitor-General (including salary) are met by the Department.

(3) The projected expenditure by the Attorney-General’s Department on outsourced legal services for 2004–05 is approximately $6.2 million (including disbursements).

The Department expects expenditure on internal legal services for 2004–05 to be approximately $950,000.00. This is calculated on the same basis for 2003-04 and an estimate of approximately unchanged provision of services and staffing commitment, but takes into account anticipated salary increases.

In addition, the Department will continue to meet the costs of the office of the Solicitor-General (including salary).

National Water Commission
(Question No. 284)

Mr Albanese asked the Minister representing the Minister for the Environment and Heritage, in writing, on 2 December 2004:

(1) What will be the functions of the National Water Commission.

(2) What types of environmental improvements will be achieved through Fund investments, for example, will the Fund be used to improve the quality and quantity of environmental flows in stressed systems; if so, how.

(3) Will investments in environmental improvements made under the Fund relate to resource condition targets and management action priorities developed through the Natural Heritage Trust (NHT)/National Action Plan for Salinity and Water Quality (NAP) natural resource management planning process; if so, what process will be followed to ensure consistency with the regional Natural Resource Management (NRM) process.

(4) Will measurable environmental quality outcomes and improvements be specified for projects supported under the Australian Water Fund; if so, how will those outcomes be determined and what monitoring and reporting requirements will be established to determine whether or not these outcomes are achieved.

(5) In respect of water reuse, recycling and efficiency projects supported under the Fund, will the Government determine the subsequent water savings as allocations of water available for use by agricultural users, urban users and the environment; if so, how; if not, will the Government be funding water use efficiency solely as a private benefit outcome.

(6) Prior to making investments, will the Government undertake a strategic assessment of the national level opportunities to maximise environmental improvements out of Fund expenditures.

(7) Does the Government’s policy ‘Securing Australia’s Water Future’, which noted that the Fund will help assist projects that improve river flows, mean that the Fund will support projects specifically designed to improve river flows; if so, can the Minister explain (a) how the Fund will do this while the listed projects focus on maximising water reuse for agricultural production or future urban development, and (b) how improved environmental flows will be determined and protected through the Fund.

(8) Is the Government committed to funding projects listed in its election commitment, ‘Securing Australia’s Water Fund’; if so, what are the anticipated financial demands on the Fund to support projects listed in this election commitment.

(9) Is the National Water Initiative intended to support price signals for water that encourage water trading and water use efficiency, especially in agriculture where the greatest volume savings can be achieved; if so, why does the Government subsidise private benefit through the Fund.
(10) Will a proportion of the Fund be dedicated to purchasing water through trading instruments established under the National Water Initiative; if so, what sum or what proportion.

(11) How will the Fund be targeted at achieving the ecological outcomes and objectives of the Living Murray Initiative.

(12) What criteria will be applied to selecting projects under the Fund.

(13) How will the Commission assess the economic and environmental benefits of any project and the cost-effectiveness of the environmental improvements generated through projects.

(14) Does the Government’s policy ‘Securing Australia’s Water Future’, which noted that competitive bidding will be the primary mechanism for allocating grants, mean that listed projects, such as Waterproofing Adelaide and South East Queensland recycling program, will be subject to competitive bidding and therefore may not be supported.

(15) Has the Government been approached for funding from proponents of any of the projects listed in ‘Securing Australia’s Water Future’; if so, (a) which projects, and (b) have any commitments been made to funding these projects; if so, what are the total annual commitments made for these projects against the Fund.

(16) Of the $200 million allocated to the National Water Standards component, what sum is allocated for (a) water accounting, (b) groundwater assessment, (c) working with local communities, and (d) water efficiency labeling for each financial year of the Fund.

(17) Under the water accounting component, will funds be spent on characterising ecosystem processes as a basis for developing sustainable flow levels and flow regimes for rivers; if not, how will sustainable flow levels be set.

(18) What is the relationship between projects funded under the Water Wise Communities program and project priorities identified under regional NRM planning.

(19) What criteria will be used to assess the competitiveness and cost-effectiveness of projects funded under the Water Wise Communities program.

(20) How is the term ‘cost-effective’ defined in the context of the Government’s policy ‘Water Wise Communities’ which noted that local stormwater harvesting and channel care activities are to be cost effective, for example, does it relate to the cost-effectiveness of stormwater harvesting for water supply, and, compared to other available sources such as wastewater reuse, how will the Government determine ‘cost-effectiveness’ for the purpose of assessing the relative merits of project proposals and how will the Government account for the impact on freshwater environmental flows affected by stormwater harvesting (eg dams).

(21) What is meant by ‘river care’ on page 3 of the ‘Water Wise Communities’ document and what are typical projects the Government would fund as ‘river care’ projects.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) The National Water Commission will have two key responsibilities: promoting the objectives and outcomes of the National Water Initiative (NWI) Intergovernmental Agreement; and advising on financial assistance to be provided by the Commonwealth under components of the Australian Water Fund.

(2) The Australian Water Fund represents a major investment by the Commonwealth in water infrastructure, improved knowledge and water management, and better practices in the stewardship of Australia’s scarce water resources. Investment under the Australian Water Fund will be made on the basis that it is consistent with, and helps achieve, the objectives, outcomes and actions of the NWI. The aim of the NWI is to improve investor confidence and economic efficiency while protecting resource condition and environmental assets.
(3) Investment under the Australian Water Fund will be made on the basis that it is consistent with and helps to achieve the objectives, outcomes and actions of the NWI. The NWI states that the Natural Heritage Trust (NHT) and the National Action Plan for Salinity and Water Quality (NAP) play an important and complementary role in improving the sustainable management of water in Australia. Investment under the Australian Water Fund will complement NHT and NAP investment. Processes for ensuring consistency between Australian Water Fund projects and regional Natural Resource Management (NRM) planning are yet to be finalised.

(4) Processes are yet to be finalised.

(5) Processes are yet to be finalised.

(6) Processes are yet to be finalised.

(7) Processes are yet to be finalised.

(8) The indicative list of projects listed in ‘Securing Australia’s Water Future’ was and is an indicative list of projects.

(9) Investment under the Australian Water Fund will be made on the basis that it is consistent with, and helps achieve, the objectives, outcomes and actions of the NWI. The NWI includes a commitment by the parties to implement water pricing and institutional arrangements which promote the economically efficient and sustainable use of water and facilitate the efficient functioning of water markets.

(10) Projects will be assessed on their merits through a competitive process.

(11) In the first instance, funding under the Murray Darling Basin Intergovernmental Agreement will be targeted at achieving the ecological outcomes and objectives of the Living Murray Initiative.

(12) Selection and assessment criteria for the competitive bidding process are still being finalised.

(13) Processes are yet to be finalised.

(14) Projects, which were the subject of specific election commitments by the government, will be supported subject to the satisfactory fulfilment of the conditions identified in those commitments. Projects cited as examples and which were not the subject of separate election commitments will be considered under the Australian Water Fund as they are brought forward.

(15) No project has received final approval for funding as yet.

(16) Program design is yet to be finalised.

(17) Program design is yet to be finalised.

(18) The community grants programme of the Australian Water Fund will complement initiatives and funding under the NHT and NAP programmes.

(19) Program design is yet to be finalised.

(20) Program design is yet to be finalised.

(21) Examples of the types of projects to be funded are stated in the same document and include schools adopting a local creek to clean it up, and creek and riverbank repair.

Environment: Coastal Catchment Initiative

(Question No. 287)

Mr Albanese asked the Minister representing the Minister for the Environment and Heritage, in writing, on 2 December 2004:

(1) Further to the answer to question No. 3405 (Hansard, 13 May 2004, page 28762), have there been relevant subsequent decisions by the Board on the Coastal Catchment Initiative (CCI) budget.
(2) What is the current CCI budget for (a) 2004-05, and (b) 2005-06 and how is it allocated between Moreton Bay, Western Port, Port Phillip Bay and other ‘hotspots’.

(3) What sum has been allocated for the CCI for 2006-2007.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) There have been no subsequent decisions made by the Board concerning the Coastal Catchment Initiative (CCI) budget.

(2) The current CCI budget allocation is $5.334m in 2004-05 and $6.935m in 2005-06. Budget allocations are as follows:

<table>
<thead>
<tr>
<th>CCI Hotspot</th>
<th>2004-05 Allocation</th>
<th>2005-06 Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moreton Bay</td>
<td>450,000</td>
<td>490,000</td>
</tr>
<tr>
<td>Port Phillip Bay/Western Port</td>
<td>1,345,273</td>
<td>1,190,000</td>
</tr>
<tr>
<td>Peel Inlet &amp; Harvey Estuary</td>
<td>486,819</td>
<td>105,000</td>
</tr>
<tr>
<td>Derwent Estuary</td>
<td>81,818</td>
<td>0</td>
</tr>
<tr>
<td>Adelaide’s Port Waterways</td>
<td>381,818</td>
<td>0</td>
</tr>
<tr>
<td>Douglas Shire Waterways</td>
<td>338,272</td>
<td>0</td>
</tr>
<tr>
<td>Great Barrier Reef</td>
<td>2,250,000</td>
<td>5,150,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5,334,000</strong></td>
<td><strong>6,935,000</strong></td>
</tr>
</tbody>
</table>

(3) No decision has been made on CCI funding beyond 2005-06.

Environment: Coastal Catchment Initiative

(Question No. 289)

Mr Albanese asked the Minister representing the Minister for the Environment and Heritage, in writing, on 2 December 2004:

In respect of the announcement on 18 August 2004 that the Moreton Bay funding “was part of a total investment of $17.6 million nationally” through the Coastal Catchment Initiative delivered during 2002-2006, will the Minister provide a breakdown of the $17.6 million per ‘hotspot’ per financial year.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Peel Inlet &amp; Harvey Estuary</td>
<td>438,182</td>
<td>579,545</td>
<td>486,819</td>
<td>105,000</td>
<td>1,609,546</td>
</tr>
<tr>
<td>Adelaide’s Port Waterways</td>
<td>534,051</td>
<td>731,540</td>
<td>381,818</td>
<td>0</td>
<td>1,647,409</td>
</tr>
<tr>
<td>Douglas Shire Waterways</td>
<td>1,047,400</td>
<td>1,334,327</td>
<td>338,272</td>
<td>0</td>
<td>2,719,999</td>
</tr>
<tr>
<td>Derwent Estuary</td>
<td>72,727</td>
<td>118,182</td>
<td>81,818</td>
<td>0</td>
<td>272,727</td>
</tr>
<tr>
<td>Moreton Bay</td>
<td>0</td>
<td>1,000,000</td>
<td>450,000</td>
<td>490,000</td>
<td>1,940,000</td>
</tr>
<tr>
<td>Port Phillip Bay &amp; Western Port</td>
<td>0</td>
<td>0</td>
<td>1,345,273</td>
<td>1,190,000</td>
<td>2,535,273</td>
</tr>
<tr>
<td>Great Barrier Reef</td>
<td>0</td>
<td>0</td>
<td>2,250,000</td>
<td>5,150,000</td>
<td>7,400,000</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>2,092,360</strong></td>
<td><strong>3,763,594</strong></td>
<td><strong>5,334,000</strong></td>
<td><strong>6,935,000</strong></td>
<td><strong>18,124,954</strong></td>
</tr>
</tbody>
</table>

Environment: Coastal Catchment Initiative

(Question No. 293)

Mr Albanese asked the Minister representing the Minister for the Environment and Heritage, in writing, on 2 December 2004:

Is the Minister aware of the interest of the Great Lakes Council in NSW in implementing the Coastal Catchment Initiative (CCI) in the Great Lakes Region; if so, (a) what is proposed by way of CCI implementation in this region, (b) what is the proposed CCI funding, and (c) over what period will this be undertaken.
Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:
Yes. No decisions have been taken in relation to Coastal Catchment Initiative implementation in this region.

Environment: Coastal Catchment Initiative
(Question No. 294)

Mr Albanese asked the Minister representing the Minister for the Environment and Heritage, in writing, on 2 December 2004:

(1) Why has the Government failed to implement the Coastal Catchment Initiative (CCI) in NSW and the Northern Territory.
(2) Why has the Government failed to fund interim CCI projects for the Derwent Estuary in Tasmania.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) The Australian Government has yet to make a decision with respect to funding Coastal Catchment Initiative (CCI) projects in New South Wales. There are no coastal waters in the Northern Territory considered a priority for CCI implementation at this time.
(2) To date CCI funds have not been available to support interim projects.

Taxation: Policy
(Question No. 297)

Mr Edwards asked the Treasurer, in writing, on 6 December 2004:

(1) Is it the case that income earned by Australian resident taxpayers derived from service in the Joint Petroleum Development Area is taxed by the Government of East Timor and is also assessable under subsection 6-5(2) of the Income Tax Assessment Act 1997; if so, will he explain why this income is taxed by both governments.
(2) Will he review this unfair double impost with a view to ensuring that these residents are only taxed once on their earnings.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) Income derived by an Australian resident from service in the Joint Petroleum Development Area is subject to Australian tax and may also be taxed by the Government of East Timor. However, no unfair double impost exists because in these circumstances Australian residents will receive a foreign tax credit for any East Timor tax paid up to the amount of the Australian tax payable in respect of that income.
(2) Refer to answer to question 1 above.

Treasury: Legal Services
(Question No. 307)

Mr Rudd asked the Treasurer, in writing, on 6 December 2004:

(1) What sum has his department spent on the McKinnon case involving documents about bracket creep and the first home buyers scheme.
(2) Has his department received any legal advice supporting the release to Mr McKinnon of some or any of the documents that are still being withheld in the case.
(3) Does the issuing of a conclusive certificate require the appropriate Minister personally to inspect each document covered by the certificate before issuing it; if so, when did he carry out such an exercise and how long did he take to review the documents in dispute.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) As at 21 December 2004, my department has spent $614,238.46.

(2) Any legal advice my department may have received in relation to the bracket creep and the first home buyers scheme matters that were before the Administrative Appeals Tribunal is privileged.

(3) Yes. I personally reviewed the documents in late 2003 and they were given appropriate consideration prior to issuing the conclusive certificates.

Health: Funding
(Question No. 309)

Mr Jenkins asked the Minister for Health and Ageing, in writing, on 6 December 2004:

(1) What was the date of the decision to offer the Victorian State Government Commonwealth involvement in the funding of the after-hours medical care service co-located at the Northern Hospital and when was it announced.

(2) What are the details of the Commonwealth’s involvement and are there any conditions or requirements being sought by the Commonwealth in relation to the funding.

(3) What sum will be provided by the Commonwealth.

(4) Is the Commonwealth’s contribution a single grant or will it provide ongoing funding.

(5) Who will be the auspice of the after-hours medical care service.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) The date of the decision to offer the Victorian State Government Commonwealth involvement in the funding of the after-hours medical care service co-located at the Northern Hospital was 12 August 2004. This decision was announced on 13 August 2004.

(2) Through its 2004-05 Budget initiative: GP services – improving after hours access, the Australian Government intends to provide exemptions under subsection 19(2) of the Health Insurance Act 1973 on a time limited case by case basis for up to 10 after-hours GP clinics to be set up with assistance from the states.

The issuing of such an exemption under subsection 19(2) of the Health Insurance Act 1973 to establish a clinic at the Northern Hospital is subject to a number of conditions related to, for example, compliance with obligations under the Australian Health Care Agreements and arrangements for monitoring and review, including reporting to the Health Insurance Commission.

An additional requirement is that the Northern Hospital clinic be operated under independent private arrangements and be able to demonstrate the support of local general practitioners, expressed through the local Divisions of General Practice.

(3) The Australian Government will provide a one-off sum of $50,000 per clinic towards establishment costs. The Australian Government will also ensure patients access to Medicare Benefits Schedule through an exemption under subsection 19(2) of the Health Insurance Act 1973.

(4) See (3).

(5) Advice from Victorian Department of Human Services is that the auspice of the after-hours medical care service is the Northern Division of General Practice.
Health and Ageing: Domestic and Overseas Air Travel
(Question No. 332)

Mr Quick asked the Minister for Health and Ageing, in writing, on 6 December 2004:

(1) For the year 2003-2004, what sum was spent by the Minister’s department on (a) domestic, and (b) overseas air travel.

(2) For the year 2003-2004, what proportion of domestic air travel by employees of the Minister’s department was provided by (a) Qantas, (b) Regional Express, and (c) Virgin Blue.

(3) For the year 2003-2004, what was the actual expenditure by the Minister’s department on domestic air travel provided by (a) Qantas, (b) Regional Express, and (c) Virgin Blue.

(4) For the year 2003-2004, what sum was spent by the Minister’s department on business class travel on (a) domestic routes, and (b) overseas routes.

(5) For the year 2003-2004, what sum was spent by the Minister’s department on economy class travel on (a) domestic routes, and (b) overseas routes.

(6) For the year 2003-2004, what proportion of the expenditure on air travel by the Minister’s department was on the domestic routes (a) Sydney to Canberra, (b) Melbourne to Canberra, (c) Sydney to Melbourne, (d) Sydney to Brisbane, (e) Melbourne to Hobart or Launceston, and (f) Sydney to Perth.

(7) For the year 2003-2004, how many employees of the Minister’s department had membership of the (a) Qantas Chairman’s Lounge, (b) Qantas Club, (c) Regional Express Membership Lounge, and (d) Virgin Blue’s Blue Room paid for by the department.

Mr Abbott—The answer to the honourable member’s question is as follows:

The following tables provide details of travel undertaken by the Department of Health and Ageing, including Therapeutic Goods Administration and CRS Australia for the financial year 2003-2004

(1) (a) and (b) 2003-2004 Departmental Air Travel Expenses

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>9,437,787</td>
</tr>
<tr>
<td>Overseas</td>
<td>1,665,764</td>
</tr>
<tr>
<td>Total</td>
<td>11,103,551</td>
</tr>
</tbody>
</table>

(2) (a), (b) and (c) 2003-2004 Estimated Domestic Proportions For Departmental Employees Only

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qantas and subsidiaries</td>
<td>93.8</td>
</tr>
<tr>
<td>Regional Express</td>
<td>3.3</td>
</tr>
<tr>
<td>Virgin Blue</td>
<td>1.0</td>
</tr>
<tr>
<td>Other</td>
<td>1.9</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Note: Travel sector information has been used to estimate individual airline percentages.

(3) (a), (b) and (c) 2003-2004 Estimated Domestic Air Travel Expenses By Airline

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qantas and subsidiaries</td>
<td>8,853,588</td>
</tr>
<tr>
<td>Regional Express</td>
<td>315,222</td>
</tr>
<tr>
<td>Virgin Blue</td>
<td>95,322</td>
</tr>
<tr>
<td>Other</td>
<td>173,655</td>
</tr>
<tr>
<td>Total</td>
<td>9,437,787</td>
</tr>
</tbody>
</table>

Note: Travel sector information has been used to estimate individual airline expenses.
(4) (a) and (b) and (5) (a) and (b) 2003-2004 Estimated Domestic and International, Economy and Business Class Travel Expenses

<table>
<thead>
<tr>
<th></th>
<th>Business</th>
<th>Economy</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>2,359,447</td>
<td>6,700,829</td>
<td>377,511</td>
<td>9,437,787</td>
</tr>
<tr>
<td>Overseas</td>
<td>1,665,764</td>
<td>0</td>
<td>0</td>
<td>1,665,764</td>
</tr>
</tbody>
</table>

Note: Travel sector information has been used to estimate expenditure for classes of travel.

(6) (a), (b), (c), (d), (e) and (f) 2003-2004 Departmental Air Travel By Route

<table>
<thead>
<tr>
<th>Routes</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney to Canberra</td>
<td>15.3</td>
</tr>
<tr>
<td>Melbourne to Canberra</td>
<td>20.6</td>
</tr>
<tr>
<td>Sydney to Melbourne</td>
<td>6.2</td>
</tr>
<tr>
<td>Sydney to Brisbane</td>
<td>4.7</td>
</tr>
<tr>
<td>Melbourne to Hobart/Launceston</td>
<td>2.4</td>
</tr>
<tr>
<td>Sydney to Perth</td>
<td>5.1</td>
</tr>
<tr>
<td>Other</td>
<td>45.7</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(7) (a), (b), (c) and (d) 2003-2004 airline lounge membership:

(a) Qantas Airways has advised that access to the Qantas Chairman’s Lounge is by invitation only and no departmental membership statistics are available;

(b) 447 departmental employees had Qantas Club membership;

(c) All Departmental travellers using Regional Express flights have access to the Regional Express Lounge for no membership cost; and

(d) There was no lounge membership paid by the Department for Virgin Blue’s Blue Room.

Kingsford Smith Electorate: Job Network Providers

(Question No. 354)

Mr Garrett asked the Minister for Employment and Workplace Relations, in writing, on 7 December 2004:

(1) How many Job Network providers are currently operating in the electoral division of Kingsford Smith and what are their names and addresses.

(2) How many job seekers are currently registered with (a) each Job Network provider, and (b) each office of each provider in the electorate of Kingsford Smith.

(3) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, in (i) Australia, and (ii) the electoral division of Kingsford Smith, how many Newstart or Youth Allowance recipients were placed into jobs through assistance from Job Network providers.

(4) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many long-term unemployed people (i) in total, and (ii) as a proportion of all unemployed people, participated in intensive assistance programs in the electoral division of Kingsford Smith.

(5) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many of the people who have participated in intensive assistance in the electoral division of Kingsford Smith have participated on (i) one occasion, (ii) two occasions, (iii) three occasions, and (iv) more than three occasions.

(6) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many job seekers who participated in intensive assistance in the electoral division of Kingsford Smith found employment and what proportion found (i) full-time, (ii) part-time and (iii) casual employment.
(7) How many Work for the Dole providers are currently operating in the electoral division of Kingsford Smith, what are their names and addresses and what programs do they offer.

(8) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Kingsford Smith found employment.

(9) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, what proportion of people who participated in a Work for the Dole program in the electoral division of Kingsford Smith found (i) full-time, (ii) part-time, and (iii) casual employment following their placement.

(10) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Kingsford Smith were in (i) full-time, (ii) part-time, (iii) casual employment three months after completing their placement.

Mr Andrews—The answer to the honourable member’s question is as follows:

(1) and (2) Job Network is administered on the basis of 19 Labour Market Regions and 137 Employment Services Areas (ESAs), the boundaries of which do not align with those of federal electorates. Job seekers choose Job Network members for a variety of reasons including location, proximity to transport routes and Centrelink offices, or the satisfaction of friends and others. Job seekers residing in one electorate or ESA may elect to be assisted through Job Network sites located in adjoining electorates or ESAs. For illustration, job seekers residing in the electorate of Kingsford Smith may be assisted through Job Network sites located in the electorate of Barton. The Inner City/Eastern Suburbs ESA is most closely aligned with the electorate of Kingsford Smith and, therefore, answers are provided with reference to this ESA.

There are currently 63 employment services providers operating in the Inner City/Eastern Suburbs ESA. The names and office locations of all Job Network members and Job Placement Only organisations currently operating in this ESA are shown in Table 1.

Table 1—ESC3 Employment Service Providers and Sites and Job Seeker Numbers

<table>
<thead>
<tr>
<th>Employment Services Provider</th>
<th>Site Location</th>
<th>Address</th>
<th>Contract Type</th>
<th>Job Seekers</th>
<th>Service Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner City/Eastern Suburbs ESA</td>
<td>Surry Hills</td>
<td>Level 4, 29 Bellevue St</td>
<td>Generalist</td>
<td>336</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>IPC Employment Pty Ltd</td>
<td>Bondi Junction</td>
<td>28-30 Ebley St</td>
<td>Generalist</td>
<td>386</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>JOB futures Ltd</td>
<td>Maroubra</td>
<td>Level 4, 832 Anzac Parade</td>
<td>Generalist</td>
<td>1,064</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Maroubra</td>
<td>Level 4, 832 Anzac Parade</td>
<td>Specialist (Indigenous)</td>
<td>141</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Redfern</td>
<td>140 Redfern St</td>
<td>Generalist</td>
<td>965</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Redfern</td>
<td>140 Redfern St</td>
<td>Specialist (Indigenous)</td>
<td>224</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Surry Hills</td>
<td>Level 10, 418A Elizabeth St</td>
<td>Generalist</td>
<td>441</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Surry Hills</td>
<td>Level 10, 418A Elizabeth St</td>
<td>Specialist (HIVA)</td>
<td>134</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>3,355</td>
<td>632</td>
</tr>
<tr>
<td>Jobfind Centres Australia Pty Ltd</td>
<td>Bondi Junction</td>
<td>1st Floor, 31 Newland St</td>
<td>Generalist</td>
<td>751</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Maroubra</td>
<td>Suite 1, Ground Floor, 196-206 Maroubra Rd</td>
<td>Generalist</td>
<td>1,259</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Level 1, 725 George St</td>
<td>Generalist</td>
<td>2,642</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>MAXNetWork Pty Ltd</td>
<td>Bondi Junction</td>
<td>Suite 1603, Level 16, Tower 2, 101 Grafton St</td>
<td>Generalist</td>
<td>151</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Employment Services Provider</td>
<td>Site Location</td>
<td>Address</td>
<td>Contract Type</td>
<td>Job Seekers</td>
<td>Service Type</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------------</td>
<td>---------</td>
<td>---------------</td>
<td>-------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Naamaro Aboriginal Employment Services</td>
<td>Redfern</td>
<td>156 Redfern St</td>
<td>Generalist</td>
<td>151</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Sydney Rehabilitation Services Pty Ltd</td>
<td>Bondi Junction</td>
<td>Suite 1D, 79 Oxford St</td>
<td>Specialist</td>
<td>500</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Bondi Junction</td>
<td>Suite 1D, 79 Oxford St</td>
<td>Specialist</td>
<td>195</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Suite 306, Level 3, 447 Kent St</td>
<td>Specialist</td>
<td>251</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Waverley Action for Youth Services Incorporated</td>
<td>Bondi Junction</td>
<td>63a Wairoa Ave</td>
<td>Specialist</td>
<td>646</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Bondi Junction</td>
<td>Tiffany Plaza, The Community Room, 422 Oxford St</td>
<td>Specialist</td>
<td>201</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Maroubra</td>
<td>4/697 Anzac Pde</td>
<td>Specialist</td>
<td>223</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>WorkDirections Australia Pty Ltd</td>
<td>Bondi Junction</td>
<td>Level 1, 86 Ebley St</td>
<td>Generalist</td>
<td>702</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Darlingharst</td>
<td>Level 1, 121-129 Crown St</td>
<td>Generalist</td>
<td>1,032</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Level 4,275 George Street</td>
<td>NA</td>
<td>1,809</td>
<td>JPO</td>
</tr>
<tr>
<td>Accountancy Aid Australia Pty Ltd</td>
<td>Mascot</td>
<td>506-514 Botany Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Adecco Services Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 9 Hunter St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Surry Hills</td>
<td>Suite 2, Level 9, 418A Elizabeth St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Anglican Youth and Education Diocese of Sydney Astute Services Pty Ltd</td>
<td>Bondi Beach</td>
<td>1/16 Campbell Pde</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Bengood Pty. Limited Catalyst Recruitment Systems Limited</td>
<td>Surry Hills</td>
<td>Level 2, 22 Cooper St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Suite 2, Level 5, 80 Clarence Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Suite 1204, Level 12, 84 Pitt Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Catherine Carrick</td>
<td>Sydney</td>
<td>Level 2, Centrepoint Tower, 100 Market St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Central Victorian Group Training Company Ltd</td>
<td>Bondi Junction</td>
<td>Suite 501B, Level 5, 1 Newland St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Chandler Macleod Group Limited</td>
<td>Sydney</td>
<td>Level 12, 2 Park St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Choice HR Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 32 Martin Place</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Clements Industrial Pty Ltd</td>
<td>Sydney</td>
<td>Lv 15, Australia Square</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Employment Services Provider</td>
<td>Site Location</td>
<td>Address</td>
<td>Contract Type</td>
<td>Job Seekers Type</td>
<td>Service Type</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------</td>
<td>---------</td>
<td>--------------</td>
<td>------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Cox Partell Staffing Services Pty Limited</td>
<td>Rosebery</td>
<td>6-8 Crewe Place</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>109 Pitt Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Crestwood Financial Management Services Pty. Ltd.</td>
<td>Bondi</td>
<td>1/44 Bennett Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>D3 Human Resources Pty. Limited</td>
<td>Mascot</td>
<td>Suite 10, 710 Botany Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Drake Employment Services Pty Ltd</td>
<td>Sydney</td>
<td>Level 10, 60 Margaret Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>First Choice Placements Pty Ltd</td>
<td>Bondi Junction</td>
<td>Level 15, Tower 1, 500 Oxford Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Forstaff Australia Pty Ltd</td>
<td>Surry Hills</td>
<td>Shop 27, 15-32 Cooper St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Frontline Retail Pty Ltd</td>
<td>Sydney</td>
<td>Level 8, 36 Carrington St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Bondi Junction</td>
<td>Suite 2002, Level 20, Tower 2, 500 Oxford Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Gold and Green Consulting Pty Ltd</td>
<td>Sydney</td>
<td>Level 8, 82 Elizabeth Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Suite 25, Level 5, Pitt St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Graydon Wade Pty Ltd</td>
<td>Randwick</td>
<td>2 Titania Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Green &amp; Gold Enterprises Pty Ltd</td>
<td>Sydney</td>
<td>Level 2, 50 York Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Suite 440, 311-315 Castlereagh St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>H&amp;S Accredited Training Australasia Inc</td>
<td>Surry Hills</td>
<td>Suite 4A6, Level 4, 410 Elizabeth Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Hays Personnel Services (Australia) Pty Limited</td>
<td>Sydney</td>
<td>L11, Chifley Tower, 2 Chifley Square</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Hillsong Emerge Ltd</td>
<td>Sydney</td>
<td>L2, 9 Barrack Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Redfern</td>
<td>149 Pitt Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Hudson Global Resources (Aust) Pty Limited</td>
<td>Sydney</td>
<td>Level 12, Angel Place, 123 Pitt Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>IMP Group (Australia) Pty Ltd</td>
<td>Surry Hills</td>
<td>Shop 27, 15-32 Cooper Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Integrated Group Limited</td>
<td>Sydney</td>
<td>Level 8, 36 Carrington Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Alexandria</td>
<td>Unit 5, 36 O’Riordan Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>IPA Personnel Pty Ltd</td>
<td>Sydney</td>
<td>Level 6, 301 George Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Suite 1502, Lvl 15, Tower Building, 264-278 George St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>J.D. Thompson Personnel Pty Ltd</td>
<td>Mascot</td>
<td>Level 1, 552-555 Gardeners Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Jobs and Careers Services Pty Limited</td>
<td>Sydney</td>
<td>Level 6, 227 Elizabeth Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Kelly Services (Australia) Ltd.</td>
<td>Surry Hills</td>
<td>Suite 4A6, Level 4, 410 Elizabeth Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Level 10, 66 Clarence Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Level 15, 15 Castlereagh Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Employment Services Provider</td>
<td>Site Location</td>
<td>Address</td>
<td>Contract Type</td>
<td>Job Seekers Type</td>
<td>Service Type</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------</td>
<td>---------</td>
<td>---------------</td>
<td>------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Learning Lab Pty Ltd</td>
<td>Surry Hills</td>
<td>Level 2, 418A Elizabeth Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Logistics Recruitment</td>
<td>Waterloo</td>
<td>Level 1, Employment House, 925-935 Bourke Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Solutions Pty Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manpower Services</td>
<td>Rosebery</td>
<td>Unit 112, 30-40 Harcourt Parade</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>(Australia) Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 34 Hunter St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>McArthur Management Services</td>
<td>Sydney</td>
<td>Level 9, 1 York Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>(SA) Pty Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MHS Group Pty Limited</td>
<td>Sydney</td>
<td>Suite 3, Level 5, 2 Bligh Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Mission Australia</td>
<td>Sydney</td>
<td>Level 4, International House, 104 Bathurst St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Motion Recruitment Pty Ltd</td>
<td>Sydney</td>
<td>Lvl 25, Chifley Tower, 2 Chifley Square</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>MVA (NSW) Pty Limited</td>
<td>Mascot</td>
<td>738 Botany Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Neptune Corporation Pty Ltd</td>
<td>Sydney</td>
<td>Suite 1, Level 4, 507 Kent St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Network Recruitment Services</td>
<td>Sydney</td>
<td>Level 5, 275 George St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Pty. Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New South Wales</td>
<td>Darlinghurst</td>
<td>Level 4, 162 Gouburn St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Road Transport Association Inc</td>
<td>Sydney</td>
<td>Level 7, 200 George St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Quay Appointments Pty. Ltd.</td>
<td>Sydney</td>
<td>Suite 3, Level 3, Westfield Towers, 100 William St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Reliable People</td>
<td>Sydney</td>
<td>Lvl 2, 14 Martin Pl</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Worldwide Hospitality Services PL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ross Human Directions Limited</td>
<td>Sydney</td>
<td>Level 16, 6 O’Connell Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Select Australasia Pty Ltd</td>
<td>Sydney</td>
<td>Level 25, AAP Centre, 259 George Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Skilled Engineering Limited</td>
<td>Sydney</td>
<td>Level 3, 109 Pitt Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Small &amp; Associates Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 143 York St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Spectrum Employment Services</td>
<td>Mascot</td>
<td>Unit A, 639 Gardeners Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Cooperative Limited</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spheron Recruitment Solutions</td>
<td>Sydney</td>
<td>Level 27, 133 Castlereagh Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Pty Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff It Pty Limited</td>
<td>Sydney</td>
<td>Level 10, 50 Park Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Westaff (Australia) Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 8-10 Loftus St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Workforce International Pty Ltd</td>
<td>Rosebery</td>
<td>593 Botany Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
Employment Services

<table>
<thead>
<tr>
<th>Provider</th>
<th>Site Location</th>
<th>Address</th>
<th>Contract Type</th>
<th>Job Seekers Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Connect Ltd</td>
<td>Ultimo</td>
<td>330 Wattle Street</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>ZNG Pty Ltd</td>
<td>Sydney</td>
<td>Level 3, 155 Cashereagh St</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Note: Site details and job seeker Active Caseload numbers are as at 3 December 2004. JNM = Job Network member; JPO = Job Placement Only organisation (these organisations are not allocated a specific business share, but compete to secure vacancies from employers and to refer eligible job seekers).

(3) The numbers of Newstart and Youth Allowance recipients placed into jobs through assistance from Job Network providers in the years 2000, 2001, 2002, 2003 and 2004, in (i) Australia and (ii) the Inner City/Eastern Suburbs ESA, are shown in Table 2.

Table 2—Total Job Placements for Newstart and Youth Allowance Recipients

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Australia</th>
<th>Inner City/Eastern Suburbs ESA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>232,395</td>
<td>4,178</td>
</tr>
<tr>
<td>2001</td>
<td>289,070</td>
<td>4,510</td>
</tr>
<tr>
<td>2002</td>
<td>311,882</td>
<td>4,620</td>
</tr>
<tr>
<td>2003</td>
<td>263,149</td>
<td>3,549</td>
</tr>
<tr>
<td>2004 (to 3 Dec 2004)</td>
<td>426,813</td>
<td>6,122</td>
</tr>
</tbody>
</table>

Note: Numbers for 2003 and 2004 include placements made by ESC3 Job Placement Only Organisations that do not deliver Job Network services. Numbers for 2004 are to 3 December 2004. Total Job Placements include those that may become long term job outcomes at a later stage.

(4) The number of long term unemployed jobseekers who commenced in Intensive Assistance in the Inner City/Eastern Suburbs ESA in the years 2000, 2001, 2002, 2003 and 2004 are shown in Table 3. The Table also includes details of these commencements as proportions of the total number of commencements.

No direct comparisons can be made between commencements after 30 June 2003, when the Active Participation Model (APM) commenced, and those in previous years. Under the APM, job seekers are assisted by a single Job Network member throughout their term of unemployment. Under previous arrangements, job seekers entered Intensive Assistance for a duration of 12 months.

Table 3—Intensive Assistance Commencements for the Long Term Unemployed

<table>
<thead>
<tr>
<th>Year</th>
<th>Long Term Unemployed Commencements</th>
<th>Proportion of Total Commencements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensive Assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>2,912</td>
<td>59.2%</td>
</tr>
<tr>
<td>2001</td>
<td>1,947</td>
<td>46.9%</td>
</tr>
<tr>
<td>2002</td>
<td>1,931</td>
<td>46.7%</td>
</tr>
<tr>
<td>2003</td>
<td>538</td>
<td>48.4%</td>
</tr>
<tr>
<td>Intensive Support Under the Active Participation Model</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>2,321</td>
<td>50.0%</td>
</tr>
<tr>
<td>2004 (to 26 Nov 2004)</td>
<td>1,639</td>
<td>29.5%</td>
</tr>
</tbody>
</table>

Note: Long term unemployed jobseekers are those registered as unemployed for 12 months or more. Numbers for Intensive Assistance in 2003 are to 13 June 2003 when jobseekers ceased commencing Intensive Assistance prior to the introduction of the Active Participation Model (APM) on 1 July 2003. Numbers for Intensive Support in 2003 are from 1 July 2003 when the APM commenced. Numbers for 2004 are to 26 November 2004. Job seekers eligible for Job Search Support Only and job seekers whose periods of unemployment were unknown have been excluded from the calculation of percentages.

From 1 July 2003, improvements to the delivery of Job Network services were introduced through implementation of the APM. This new approach sees job seekers assisted by a single Job Network member for the full duration of their unemployment, allowing the service provider to develop a detailed understanding of each job seeker’s needs.

(6) Data on the type of employment (e.g. full-time, part-time) gained by Job Network participants is gathered through the Post Programme Monitoring (PPM) survey. The PPM survey measures job seekers’ outcomes three months after they have left assistance. PPM estimates for Intensive Assistance for the Inner City/Eastern Suburbs ESA in the years 2000, 2001 and 2002 are shown in Table 4. Table 4 includes (a) the total in Employment and (b) the proportions in (i) full time, (ii) part time and (iii) casual employment. The data for 2003-04 in Table 4 is for Intensive Support Job Search Training outcomes for the financial year.

Table 4—Intensive Assistance Post Programme Monitoring Outcomes

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employment %</th>
<th>Full-time Employment %</th>
<th>Part-time Employment %</th>
<th>Casual Employment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner City/Eastern Suburbs ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>33.9</td>
<td>17.2</td>
<td>16.7</td>
<td>20.6</td>
</tr>
<tr>
<td>2001</td>
<td>36.1</td>
<td>16.8</td>
<td>19.3</td>
<td>23.7</td>
</tr>
<tr>
<td>2002</td>
<td>40.0</td>
<td>20.4</td>
<td>19.6</td>
<td>24.3</td>
</tr>
<tr>
<td>2003/04</td>
<td>50.0</td>
<td>24.4</td>
<td>25.6</td>
<td>30.8</td>
</tr>
</tbody>
</table>

Note: 2003-04 PPM data are for Intensive Support Job Search Training. Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

(7) Community Work Coordinators (CWCS) are contracted to provide Work for the Dole services on an ESA basis. The CWCs providing services in the Inner City/Eastern Suburbs ESA and the office locations are shown in Table 5.

Table 5—Community Work Co-ordinators and Site Locations

<table>
<thead>
<tr>
<th>CWC Provider</th>
<th>Site Location</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner City/Eastern Suburbs Sydney ESA</td>
<td>Surry Hills</td>
<td>Suite 2, Level 9, 418A Elizabeth Street</td>
</tr>
<tr>
<td>Anglican Youth &amp; Education Diocese of Sydney</td>
<td>Surry Hills</td>
<td>Bridgegate House, level 4 Suite 4A6, 410 Elizabeth Street</td>
</tr>
<tr>
<td>H&amp;H Accredited Training Australasia Incorporated</td>
<td>Surry Hills</td>
<td></td>
</tr>
<tr>
<td>The Salvation Army (VIC) Property Trust</td>
<td>Surry Hills</td>
<td>365 Crown Street</td>
</tr>
</tbody>
</table>

(8) (9) and (10) Work for the Dole is a work experience programme. Employment is not a stated objective of the programme, however, the valuable work experience gained through the programme combined with the continued support of the Job Network, supports the objectives of the APM.

The PPM survey measures job seekers’ outcomes three months after they have left assistance. Outcomes estimates for Work for the Dole are shown in Table 6 for (a) the total proportion in employment and (b) the proportion in (i) full-time, (ii) part-time and (iii) casual employment following their placement.

Table 6 shows the post programme status of clients who undertook Work for the Dole in the Inner City/Eastern Suburbs ESA.
Table 6:—Work for the Dole Post-Programme Monitoring Outcomes
Inner City/Eastern Suburbs ESA

<table>
<thead>
<tr>
<th>Year of Outcomes</th>
<th>Total Employment (%)</th>
<th>Full-time Employment (%)</th>
<th>Part-time Employment (%)</th>
<th>Casual Employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2001</td>
<td>26.6</td>
<td>10.5</td>
<td>15.7</td>
<td>15.4</td>
</tr>
<tr>
<td>2002</td>
<td>25.6</td>
<td>10.9</td>
<td>14.7</td>
<td>18.6</td>
</tr>
<tr>
<td>2003</td>
<td>29.6</td>
<td>14.4</td>
<td>15.2</td>
<td>17.2</td>
</tr>
<tr>
<td>2004</td>
<td>32.8</td>
<td>17.1</td>
<td>15.7</td>
<td>21.4</td>
</tr>
</tbody>
</table>

Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

In 2000 there were insufficient numbers of survey respondents in the Inner City/Eastern Suburbs ESA to provide statistically reliable outcome estimates for Work for the Dole.

**Defence: Courts Martial**

*(Question No. 368)*

Mr Melham asked the Minister Assisting the Minister for Defence, in writing, on 8 December 2004:

For each financial year since 1996-1997 and for each armed service in the Australian Defence Force, how many (a) General Courts Martial, and (b) Restricted Courts Martial were convened under section 119 of the Defence Force Discipline Act 1982.

Mrs De-Anne Kelly—The answer to the honourable member’s question is as follows:

Statistics covering the operation of the Defence Force Discipline Act 1982, for each calendar year, are included in the Judge Advocate General’s Annual Report.

**Defence: Visiting Warships**

*(Question No. 380)*

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 9 December 2004:

(1) Which Australian ports are currently approved to receive visits by nuclear powered warships.

(2) What criteria are applied in determining whether a port is suitable to receive visits by nuclear powered warships.

(3) When was the suitability of each port to receive such visits last assessed and which organisations were involved in each assessment.

(4) When is the suitability of each port to receive such visits scheduled to be re-validated.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) Australian ports that are approved to receive visits by nuclear powered ships include:

- Commonwealth Territory New South Wales – Jervis Bay;
- Brisbane;
- Gladstone;
- Darwin; Fremantle;
- HMAS Stirling;
- Albany;

QUESTIONS IN WRITING
(2) The criteria applied in determining whether a port is suitable to receive visits by nuclear powered warships are:

- Visits by nuclear-powered warships to Australian ports are accepted only to berths and anchorages that have been assessed against radiological criteria and approved by the Visiting Ships Panel (Nuclear) (VSP(N)).
- The basis of the assessment is an estimation of the individual and collective radiation doses to the public in the event of a Reference Accident to the reactor plant on the visiting ship, and a comparison of these with radiation dose criteria. The number of potential radiation-induced cancer fatalities is provided, based on risk factors consistent with those recommended by the International Commission on Radiological Protection.
- The Reference Accident is defined as a failure of the primary coolant circuit of one of the reactors resulting in a loss of coolant and melt down of the fuel in the reactor core, and the release of volatile and gaseous fission products to the reactor containment. These fission products would then be available to leak to the atmosphere and be distributed according to the prevailing weather. In the assessment, the dispersion of released fission products in the atmosphere downwind of the accident has been estimated using a standard, conservative meteorological model and the radiation doses to individuals and to the total population possibly exposed have been calculated.

(3) The suitability of each port to receive such visits was last assessed as follows:

- Darwin - 23 to 24 March 2003;
- Fremantle- 27 to 28 March 2003;
- HMAS Stirling - 27 to 28 March 2003;
- Hobart - 23 to 24 October 2003;
- Gladstone - 26 to 27 July 2004;
- Brisbane - 28 to 29 July 2004; and
- Melbourne - 28 to 29 October 2004

Both Albany (Western Australia) and Jervis Bay are validated for nuclear-powered warships to come to anchor, and conduct emergency transfers and medical evacuations. The VSP(N) Working Group visited Jervis Bay in February 2004 and will complete a revalidation once the new Safety Plan is completed in early 2005.

The following organisations provide representatives to the VSP(N), which conduct the assessments:

- Department of Defence:
  - Commander Australian Navy Systems Command,
  - National Port Services (Deputy Master Attendant(Secretary)),
  - International Policy Division,
  - Defence Science and Technology Organisation,
  - Surgeon General Australian Defence Force, and
  - Headquarters Australian Defence Force Operations (Maritime Operations);
- Australian Nuclear Science and Technology Organisation;
- Australian Radiation Protection and Nuclear Safety Agency;
Questions in Writing

- Department of the Environment and Heritage;
- Department of Health and Aged Care;
- Attorney-General’s Department; and
- Emergency Management Australia.

(4) The suitability of each port to receive such visits is scheduled to be re-validated as follows:
- Jervis Bay - Early 2005;
- Albany - March/April 2005;
- Darwin - March 2005;
- Fremantle - March 2005;
- HMAS Stirling - March 2005;
- Hobart - October 2005;
- Gladstone - July 2006;
- Brisbane - July 2006; and
- Melbourne - October 2006.

Banks Electorate: Job Network Providers

(*Question No. 382*)

Mr Melham asked the Minister for Employment and Workplace Relations, in writing, on 9 December 2004:

(1) How many Job Network providers are currently operating in the electoral division of Banks and what are their names and addresses.

(2) How many job seekers are currently registered with (a) each Job Network provider, and (b) each office of each provider operating in the electoral division of Banks.

(3) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, in (i) Australia, and (ii) the electoral division of Banks, how many Newstart or Youth Allowance recipients were placed into jobs through assistance from Job Network providers.

(4) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many long-term unemployed people (i) in total, and (ii) as a proportion of all unemployed people, participated in intensive assistance programs in the electoral division of Banks.

(5) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many of the people who have participated in intensive assistance in the electoral division of Banks have participated on (i) one occasion, (ii) two occasions, (iii) three occasions, and (iv) more than three occasions.

(6) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many job seekers who participated in intensive assistance in the electoral division of Banks found employment and what proportion found (i) full-time, (ii) part-time and (iii) casual employment.

(7) How many Work for the Dole providers are currently operating in the electoral division of Banks, what are their names and addresses and what programs do they offer.

(8) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Banks found employment.

(9) For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, what proportion of people who participated in a Work for the Dole program in the electoral division of Banks found (i) full-time, (ii) part-time, and (iii) casual employment following their placement.
For the year (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004, how many people who participated in a Work for the Dole program in the electoral division of Banks were in (i) full-time, (ii) part-time, (iii) casual employment three months after completing their placement.

Mr Andrews—The answer to the honourable member’s question is as follows:

(1) and (2) Job Network is administered on the basis of 19 Labour Market Regions and 137 Employment Services Areas (ESAs), the boundaries of which do not align with those of federal electorates. Job seekers choose Job Network members for a variety of reasons including location, proximity to transport routes and Centrelink offices, or the satisfaction of friends and others. Job seekers residing in one electorate or ESA may elect to be assisted through Job Network sites located in adjoining electorates or ESAs. For illustration, job seekers residing in the electorate of Banks may be assisted through Job Network sites located in the electorate of Barton. The Canterbury/Bankstown and St George/Sutherland ESAs are most closely aligned with the electorate of Banks and, therefore, answers are provided with reference to these ESAs.

There are currently 15 employment services providers operating in the Canterbury/Bankstown ESA and 18 in the St George/Sutherland ESA. The names and office locations of all Job Network members and Job Placement Only organisations currently operating in these ESAs are shown in Table 1.

<table>
<thead>
<tr>
<th>Employment Services Provider</th>
<th>Site Location</th>
<th>Address</th>
<th>Contract Type</th>
<th>Job Seekers</th>
<th>Service Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury/Bankstown ESA</td>
<td>Bankstown</td>
<td>Level 1, 2-14 Meredith St</td>
<td>Generalist</td>
<td>597</td>
<td>JNS</td>
</tr>
<tr>
<td></td>
<td>Bankstown</td>
<td>Level 1, 2-14 Meredith St</td>
<td>Specialist (CALD)</td>
<td>1,271</td>
<td>JNS</td>
</tr>
<tr>
<td></td>
<td>Campsie</td>
<td>59-63 Evaline St</td>
<td>Generalist</td>
<td>200</td>
<td>JNS</td>
</tr>
<tr>
<td></td>
<td>Campsie</td>
<td>59-63 Evaline St</td>
<td>Specialist (CALD)</td>
<td>865</td>
<td>JNS</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>2,933</td>
<td></td>
</tr>
<tr>
<td>JOB futures Ltd</td>
<td>Belmore</td>
<td>38 Redman Pde</td>
<td>Generalist</td>
<td>422</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Mission Australia</td>
<td>Campsie</td>
<td>Leve 1, 281 Beamish St</td>
<td>Generalist</td>
<td>411</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Punchbowl</td>
<td>Ground Floor, 1-5 Brest Place</td>
<td>Generalist</td>
<td>702</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>1,113</td>
<td></td>
</tr>
<tr>
<td>T&amp;A Skills Care Service Pty.</td>
<td>Bankstown</td>
<td>Shop 3 &amp; 4, 55 Raymond St</td>
<td>Generalist</td>
<td>1,078</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Ltd</td>
<td>Bankstown</td>
<td>Shop 3 &amp; 4, 55 Raymond St</td>
<td>Specialist (CALD)</td>
<td>602</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Campsie</td>
<td>274 Beamish St</td>
<td>Generalist</td>
<td>428</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td>Campsie</td>
<td>274 Beamish St</td>
<td>Specialist (CALD)</td>
<td>492</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>2,600</td>
<td></td>
</tr>
<tr>
<td>WorkDirections Australia Pty</td>
<td>Bankstown</td>
<td>Level 1, 2 Meredith St</td>
<td>Generalist</td>
<td>2,143</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Ltd</td>
<td>(Dan) Thanh Tung Vo</td>
<td>Lakemba</td>
<td>104 Haldon St</td>
<td>Generalist</td>
<td>750</td>
</tr>
<tr>
<td></td>
<td>Bankstown</td>
<td>7 Greenfield Parade</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Campsie</td>
<td>3/192 Beamish Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td></td>
<td>Bankstown</td>
<td>Suite 5, 69 The Mall</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>H&amp;H Accredited Training</td>
<td>Bankstown</td>
<td>Suite 4, 138 Bankstown</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Australasia Inc</td>
<td></td>
<td>City Plaza</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Job Futures Ltd</td>
<td>Bankstown</td>
<td>Level 2, 40 Raymond St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
<table>
<thead>
<tr>
<th>Employment Services Provider</th>
<th>Site Location</th>
<th>Address</th>
<th>Contract Type</th>
<th>Job Seekers</th>
<th>Service Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs and Careers Services Pty Limited</td>
<td>Bankstown</td>
<td>Suite 4, 138 Bankstown City Plaza</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>M. Pleno &amp; Associates Pty Limited</td>
<td>Bankstown</td>
<td>1 Fetherstone St</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Pentaesunf Pty Ltd</td>
<td>Belmore</td>
<td>72A Chapel Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Quoc Thoi Lu</td>
<td>Belmore</td>
<td>134 Prince Edward Avenue</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Spectrum Employment Services Co-operative Limited</td>
<td>Bankstown</td>
<td>Level 1, 25 Brandon Ave</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Sydney Training and Employment Ltd</td>
<td>Belmore</td>
<td>38 Redman Parade</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>St George/Sutherland ESA</td>
<td>Rockdale</td>
<td>Suite 4, Level 2, 81 Railway St</td>
<td>Generalist</td>
<td>644</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>IPC Employment Pty Ltd</td>
<td>Sutherland</td>
<td>Suites 201 &amp; 302, Endeavour House, 3-5 Stapleton Ave</td>
<td>Generalist</td>
<td>561</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Sydney Rehabilitation Services Pty Ltd</td>
<td>Rockdale</td>
<td>Shop 15, Kings Court, 10 King St</td>
<td>Generalist</td>
<td>251</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>The Salvation Army (VIC) Property Trust</td>
<td>Rockdale</td>
<td>Shop 15, Kings Court, 10 King St</td>
<td>Generalist (Disability)</td>
<td>118</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>WorkDirections Australia Pty Ltd</td>
<td>Hurstville</td>
<td>Suite 101, Level 1, 4-8 Woodville St</td>
<td>Generalist</td>
<td>251</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Adecco Services Pty Ltd</td>
<td>Hurstville</td>
<td>Shop 15, Kings Court, 10 King St</td>
<td>Generalist</td>
<td>383</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Catherine Carrick</td>
<td>Rockdale</td>
<td>Level 3, 33-35 Belmont St</td>
<td>Generalist</td>
<td>1,354</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Chandler Macleod Group Limited</td>
<td>Rockdale</td>
<td>23-25 Frederick St</td>
<td>Generalist</td>
<td>1,707</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Clements Industrial Pty Ltd</td>
<td>Sutherland</td>
<td>23-25 Frederick St</td>
<td>Generalist</td>
<td>2,517</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Edmen Pty. Limited</td>
<td>Hurstville</td>
<td>Suite 1, 700 Princes Highway</td>
<td>Generalist</td>
<td>838</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Forstaff Australia Pty Ltd</td>
<td>Rockdale</td>
<td>Ground Floor, Corporate Centre, 81 Railway St</td>
<td>Generalist</td>
<td>1,550</td>
<td>JNS/JPO</td>
</tr>
<tr>
<td>Hays Personnel Services (Australia) Pty Limited</td>
<td>Hurstville</td>
<td>430 Forest Rd</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Hurstville Enterprise Assoc. for People Services</td>
<td>Rockdale</td>
<td>370 Princes Highway</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Job Futures Ltd</td>
<td>Rockdale</td>
<td>Office 2, Level 2, 81 Railway Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Jobsupport Incorporated</td>
<td>Hurstville</td>
<td>Suite 202, Level 2, 4-8 Woodville Street</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
</tr>
<tr>
<td>Kingsgrove</td>
<td>Unit 31, 192A Kingsgrove Road</td>
<td>NA</td>
<td>NA</td>
<td>JPO</td>
<td></td>
</tr>
</tbody>
</table>
Employment Services Provider | Site Location | Address | Contract Type | Job Seekers Type | Service Type
--- | --- | --- | --- | --- | ---
MHS Group Pty Limited | Hurstville | Suite 103, 9 Gloucester Road | NA | NA | JPO
Recruitment MG Pty Ltd | Rockdale | 81 Bay Street | NA | NA | JPO
Select Australasia Pty Ltd | Hurstville | Level 2, 10 Cross Street | NA | NA | JPO
Spectrum Employment Services Co-operative Limited | Hurstville | Level 1, 2-6 Crofts Ave | NA | NA | JPO

Note: Site details and job seeker Active Caseload numbers are as at 3 December 2004. JNM = Job Network member; JPO = Job Placement Only organisation (these organisations are not allocated a specific business share, but compete to secure vacancies from employers and to refer eligible job seekers).

(3) The numbers of Newstart and Youth Allowance recipients placed into jobs through assistance from Job Network providers in the years 2000, 2001, 2002, 2003 and 2004, in (i) Australia and (ii) the Canterbury/Bankstown and St George/Sutherland ESAs, are shown in Table 2.

Table 2—Total Job Placements for Newstart and Youth Allowance Recipients

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Australia</th>
<th>Canterbury/Bankstown ESA</th>
<th>St George/Sutherland ESA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>232,395</td>
<td>3,240</td>
<td>1,916</td>
</tr>
<tr>
<td>2001</td>
<td>289,070</td>
<td>4,233</td>
<td>2,288</td>
</tr>
<tr>
<td>2002</td>
<td>311,882</td>
<td>4,828</td>
<td>2,725</td>
</tr>
<tr>
<td>2003</td>
<td>263,149</td>
<td>3,114</td>
<td>2,326</td>
</tr>
<tr>
<td>2004 (to 3 Dec)</td>
<td>426,813</td>
<td>3,806</td>
<td>3,645</td>
</tr>
</tbody>
</table>

Note: Numbers for 2003 and 2004 include placements made by ESC3 Job Placement Only Organisations that do not deliver Job Network services. Numbers for 2004 are to 3 December 2004. Total Job Placements include those that may become long term job outcomes at a later stage.

(4) The number of long term unemployed jobseekers who commenced in Intensive Assistance in the Canterbury/Bankstown and St George/Sutherland ESAs in the years 2000, 2001, 2002, 2003 and 2004 are shown in Table 3. The Table also includes details of these commencements as proportions of the total number of commencements.

No direct comparisons can be made between commencements after 30 June 2003, when the Active Participation Model (APM) commenced, and those in previous years. Under the APM, job seekers are assisted by a single Job Network member throughout their term of unemployment. Under previous arrangements, job seekers entered Intensive Assistance for a duration of 12 months.

Table 3—Intensive Assistance Commencements for the Long Term Unemployed

<table>
<thead>
<tr>
<th>Year</th>
<th>Canterbury/Bankstown ESA</th>
<th>St George/Sutherland ESA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensive Assistance</td>
<td>Long Term Unemployed Commencements</td>
<td>Proportion of Total Commencements</td>
</tr>
<tr>
<td>2000</td>
<td>3,011</td>
<td>50.4%</td>
</tr>
<tr>
<td>2001</td>
<td>2,178</td>
<td>38.0%</td>
</tr>
<tr>
<td>2002</td>
<td>2,409</td>
<td>45.9%</td>
</tr>
<tr>
<td>2003</td>
<td>932</td>
<td>49.7%</td>
</tr>
<tr>
<td>Intensive Support Under the Active Participation Model</td>
<td>2003</td>
<td>2,550</td>
</tr>
<tr>
<td>2004 (to 26 Nov 2004)</td>
<td>1,487</td>
<td>30.1%</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
Note: Long term unemployed jobseekers are those registered as unemployed for 12 months or more. Numbers for Intensive Assistance in 2003 are to 13 June 2003 when jobseekers ceased commencing Intensive Assistance prior to the introduction of the Active Participation Model (APM) on 1 July 2003. Numbers for Intensive Support in 2003 are from 1 July 2003 when the APM commenced. Numbers for 2004 are to 26 November 2004. Job seekers eligible for Job Search Support Only and job seekers whose periods of unemployment were unknown have been excluded from the calculation of percentages.


From 1 July 2003, improvements to the delivery of Job Network services were introduced through implementation of the APM. This new approach sees job seekers assisted by a single Job Network member for the full duration of their unemployment, allowing the service provider to develop a detailed understanding of each job seeker’s needs.

(6) Data on the type of employment (e.g. full-time, part-time) gained by Job Network participants is gathered through the Post Programme Monitoring (PPM) survey. The PPM survey measures job seekers’ outcomes three months after they have left assistance. PPM estimates for Intensive Assistance for the Canterbury/Bankstown and St George/Sutherland ESAs in the years 2000, 2001 and 2002 are shown in Table 4. Table 4 includes (a) the total in Employment and (b) the proportions in (i) full time, (ii) part time and (iii) casual employment. The data for 2003-04 in Table 4 is for Intensive Support Job Search Training outcomes for the financial year.

Table 4—Intensive Assistance Post Programme Monitoring Outcomes

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employment %</th>
<th>Full-time Employment %</th>
<th>Part-time Employment %</th>
<th>Casual Employment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury/Bankstown ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>34.4</td>
<td>19.7</td>
<td>14.7</td>
<td>20.3</td>
</tr>
<tr>
<td>2001</td>
<td>38.4</td>
<td>21.9</td>
<td>16.5</td>
<td>24.1</td>
</tr>
<tr>
<td>2002</td>
<td>46.0</td>
<td>24.5</td>
<td>21.5</td>
<td>29.3</td>
</tr>
<tr>
<td>2003/04</td>
<td>43.4</td>
<td>23.5</td>
<td>19.8</td>
<td>27.2</td>
</tr>
<tr>
<td>St George/Sutherland ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>31.7</td>
<td>15.4</td>
<td>16.3</td>
<td>19.6</td>
</tr>
<tr>
<td>2001</td>
<td>37.7</td>
<td>17.6</td>
<td>20.1</td>
<td>24.7</td>
</tr>
<tr>
<td>2002</td>
<td>39.7</td>
<td>18.8</td>
<td>20.8</td>
<td>25.4</td>
</tr>
<tr>
<td>2003/04</td>
<td>51.5</td>
<td>29.0</td>
<td>22.6</td>
<td>32.0</td>
</tr>
</tbody>
</table>

Note: 2003-04 PPM data are for Intensive Support Job Search Training. Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

(7) Community Work Coordinators (CWCs) are contracted to provide Work for the Dole services on an ESA basis. The CWCs providing services in the Canterbury/Bankstown and St George/Sutherland ESAs and their office locations are shown in Table 5.

Table 5—Community Work Co-ordinators and Site Locations

<table>
<thead>
<tr>
<th>CWC Provider</th>
<th>Site Location</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury/Bankstown ESA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H&amp;H Accredited Training Australasia Incorporated</td>
<td>Bankstown</td>
<td>Suite 4 138 Bankstown City Plaza</td>
</tr>
<tr>
<td>MTC Work Solutions</td>
<td>Belmore</td>
<td>38 Redman Parade</td>
</tr>
<tr>
<td>St George/Sutherland ESA</td>
<td>Hurstville</td>
<td>Suite 103, Level 1, 2-6 Crofts Avenue</td>
</tr>
<tr>
<td>MTC Work Solutions</td>
<td>Penshurst</td>
<td>23 St Georges Road</td>
</tr>
<tr>
<td>Pole Depot Neighbourhood Centre Inc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
(8) (9) and (10) Work for the Dole is a work experience programme. Employment is not a stated objective of the programme, however, the valuable work experience gained through the programme combined with the continued support of the Job Network, supports the objectives of the APM.

The PPM survey measures job seekers’ outcomes three months after they have left assistance. Outcomes estimates for Work for the Dole are shown in Table 6 for (a) the total proportion in employment and (b) the proportion in (i) full-time, (ii) part-time and (iii) casual employment following their placement.

Table 6 shows the post programme status of clients who undertook Work for the Dole in the Canterbury/Bankstown and St George/Sutherland ESAs.

<table>
<thead>
<tr>
<th>Year of Outcomes</th>
<th>Total Employment (%)</th>
<th>Full-time Employment (%)</th>
<th>Part-time Employment (%)</th>
<th>Casual Employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury/Bankstown ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2001</td>
<td>17.1</td>
<td>9.7</td>
<td>7.5</td>
<td>9.4</td>
</tr>
<tr>
<td>2002</td>
<td>16.8</td>
<td>9.1</td>
<td>7.7</td>
<td>11.1</td>
</tr>
<tr>
<td>2003</td>
<td>23.3</td>
<td>14.2</td>
<td>9.1</td>
<td>10.8</td>
</tr>
<tr>
<td>2004</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>St George/Sutherland ESA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2001</td>
<td>20.6</td>
<td>10.3</td>
<td>10.3</td>
<td>11.8</td>
</tr>
<tr>
<td>2002</td>
<td>18.9</td>
<td>9.1</td>
<td>9.8</td>
<td>10.1</td>
</tr>
<tr>
<td>2003</td>
<td>27.0</td>
<td>14.9</td>
<td>12.1</td>
<td>17.0</td>
</tr>
<tr>
<td>2004</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Casual employment includes employment on a temporary, seasonal or casual basis as reported by respondents to the PPM survey.

In 2000 and 2004 there were insufficient numbers of survey respondents in the Canterbury/Bankstown and St George/Sutherland ESAs to provide statistically reliable outcome estimates for Work for the Dole.

**Banks Electorate: Child-Care Centres**

*(Question No. 384)*

Mr Melham asked the Minister representing the Minister for Family and Community Services, in writing, on 9 December 2004:

(1) How many (a) community-based, and (b) private childcare centres are located in the electoral division of Banks and what is the name and address of each centre.

(2) In respect of each centre, what sum did the Commonwealth provide for the financial year (a) 2000-2001, (b) 2001-2002, (c) 2002-2003, and (d) 2003-2004 and from which programs was the funding provided.

(4) How many children in the electoral division of Banks were catered for in (a) community-based, and (b) private childcare centres.

(5) How many children in the electoral division of Banks are (a) under two years of age, and (b) under two years of age and enrolled in (i) community based, and (ii) private child care centres.

(6) How many Commonwealth funded places for (a) Before School Care, (b) After School Care, and (c) Vacation Care are there in the electoral division of Banks.

(7) Which organisations in the electorate of Banks coordinate the provision of these services.
Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) (a) (b) In September 2004, there were 65 Australian Government funded child care services in the electoral division of Banks. Of these, 29 were community services and 36 were private services. The name and address of each service is listed below.
<table>
<thead>
<tr>
<th>Service name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILPERRA CHILD CARE COMMUNITY</td>
<td>NSW 147 ASHFORD AVE, MILPERRA, 2214, NSW</td>
</tr>
<tr>
<td>MORTS ROAD CHILD CARE</td>
<td>NSW 146 MORTS RD, MORTDALE, 2223, NSW</td>
</tr>
<tr>
<td>MY LITTLE SUNSHINE</td>
<td>NSW 24 - 26 VICTORIA AVE, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>PADSTOW CHILD CARE CENTRE</td>
<td>NSW 21 CAHIRS RD, PADSTOW, 2211, NSW</td>
</tr>
<tr>
<td>PADSTOW PLAY ‘N’ LEARN</td>
<td>NSW 41 MCGIRR ST, PADSTOW, 2211, NSW</td>
</tr>
<tr>
<td>PANANIA CHILD CARE CENTRE</td>
<td>NSW 6 WOLLONGBAR AVE, PANANIA, 2213, NSW</td>
</tr>
<tr>
<td>PANANIA PRE-SCHOOL KINDERGARTEN</td>
<td>NSW 88 TOWER ST, PANANIA, 2213, NSW</td>
</tr>
<tr>
<td>PANANIA PUBLIC SCHOOL AFTER SCHOOL CARE</td>
<td>NSW PANANIA PUBLIC SCHOOL, LAWLER ST, PANANIA, 2213, NSW</td>
</tr>
<tr>
<td>PEAKHURST KINDERGARTEN</td>
<td>NSW 6 CORONATION AVE, PEAKHURST, 2210, NSW</td>
</tr>
<tr>
<td>PENSHURST CHILD CARE CENTRE</td>
<td>NSW 5 ST. GEORGES RD, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>PETER RABBIT LONG DAY CENTRE</td>
<td>NSW 1320 CANTERBURY RD, PUNCHBOWL, 2196, NSW</td>
</tr>
<tr>
<td>PICNIC POINT CHILD CARE CENTRE</td>
<td>NSW 12 RAMSAY RD, PICNIC POINT, 2213, NSW</td>
</tr>
<tr>
<td>PICNIC POINT PRE SCHOOL &amp; CHILD CARE CENTRE</td>
<td>NSW 134 PICNIC POINT RD, PICNIC POINT, 2213, NSW</td>
</tr>
<tr>
<td>POLE DEPOT AFTER SCHOOL CARE</td>
<td>NSW 23 ST GEORGES RD, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>POLE DEPOT BEFORE SCHOOL CARE</td>
<td>NSW 23 ST GEORGES RD, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>POLE DEPOT VACATION CARE PROJECT</td>
<td>NSW PENSHURST WEST PUBLIC SCHOOL, CNR</td>
</tr>
<tr>
<td>POLE DEPOT AFTER SCHOOL CARE - PENSHURST WEST</td>
<td>NSW SCOTT ST &amp; FOREST RD, MORTDALE, 2223, NSW</td>
</tr>
<tr>
<td>RABBIT WARREN LONG DAY CARE CENTRE</td>
<td>NSW 44 ELY ST, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY HEIGHTS KINDERGARTEN</td>
<td>NSW 265 THE RIVER RD, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY NOW ‘N’ THEN OCCASIONAL CARE</td>
<td>NSW 16 BRET ST, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY SOUTH PUBLIC SCHOOL AFTER SCHOOL CARE</td>
<td>NSW REVESBY SOUTH PUBLIC SCHOOL, MARS</td>
</tr>
<tr>
<td>REVESBY UNITING CHURCH CHILD CARE CENTRE</td>
<td>NSW ST, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY YMCA AFTER SCHOOL CARE</td>
<td>NSW 219-221 THE RIVER RD, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY YMCA BEFORE SCHOOL CARE</td>
<td>NSW 184 THE RIVER RD, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>REVESBY YMCA VACATION CARE</td>
<td>NSW 184 THE RIVER RD, REVESBY, 2212, NSW</td>
</tr>
<tr>
<td>RIVERWOOD COMBINED OSHC</td>
<td>NSW RIVERWOOD COMMUNITY CENTRE, 151 BELMORE RD NORTH, RIVERWOOD, 2210, NSW</td>
</tr>
<tr>
<td>RIVERWOOD VACATION CARE SERVICE</td>
<td>NSW RIVERWOOD, 2210, NSW</td>
</tr>
<tr>
<td>SDN RIVERWOOD EARLY LEARNING CENTRE</td>
<td>NSW 151 BELMORE RD, RIVERWOOD, 2210, NSW</td>
</tr>
<tr>
<td>SOUTHERN CROSS PRE-SCHOOL AND LONG DAY CARE CHILD CARE CENTRE</td>
<td>NSW 5 BELMORE RD (CNR ROOSEVELT AVE &amp; BELMORE RD), RIVERWOOD, 2210, NSW</td>
</tr>
<tr>
<td>ST ABRAAMS CHILD CARE CENTRE</td>
<td>NSW 100 ARCADIA ST, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>ST DECLANS ASC</td>
<td>NSW 800 FOREST RD, PEAKHURST, 2210, NSW</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
(2) (a) (b) (c) (d) Australian Government funding for child care services in the electorate of Banks is as follows:

<table>
<thead>
<tr>
<th>Service name</th>
<th>2000-01</th>
<th>2001-02</th>
<th>2002-03</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTIVE KIDS CENTRE - NARWEE NO.1</td>
<td>500</td>
<td>1,100</td>
<td>330</td>
<td></td>
</tr>
<tr>
<td>ACTIVE KIDS CENTRE - NARWEE NO.2</td>
<td>9,659</td>
<td>1,427</td>
<td>6,486</td>
<td></td>
</tr>
<tr>
<td>ALMA ROAD CHILD CARE CENTRE</td>
<td></td>
<td></td>
<td></td>
<td>266</td>
</tr>
<tr>
<td>THE NEW ALMA ROAD CHILD CARE CENTRE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ATTUNGA COTAGE CHILDREN’S CENTRE</td>
<td>1,500</td>
<td></td>
<td>2,275</td>
<td></td>
</tr>
<tr>
<td>BEVERLY HILLS ANGELS COMBINED OSHC</td>
<td>11,414</td>
<td>10,677</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BEVERLY HILLS MONTESSORI CHRISTIAN NURSERY</td>
<td>1,686</td>
<td></td>
<td>1,964</td>
<td></td>
</tr>
<tr>
<td>BEVERLY HILLS MONTESSORI PRESCHOOL</td>
<td>690</td>
<td>1,709</td>
<td>4,138</td>
<td></td>
</tr>
<tr>
<td>COLONIAL PRE-SCHOOL KINDERGARTEN AND CHILD CARE CENTRE</td>
<td>3,223</td>
<td>6,136</td>
<td>1,255</td>
<td>12,299</td>
</tr>
<tr>
<td>EDELWEISS CHILD CARE CENTRE</td>
<td>4,782</td>
<td>4,225</td>
<td></td>
<td>133</td>
</tr>
<tr>
<td>FRIENDLY FACES KINDERGARTEN</td>
<td>501</td>
<td>1,500</td>
<td>401</td>
<td>1,641</td>
</tr>
<tr>
<td>FRIENDLY FACES PANANIA</td>
<td>3,930</td>
<td>7,324</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GEORGES RIVER COMMUNITY SERVICE BEFORE SCHOOL CARE</td>
<td></td>
<td>744</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GEORGES RIVER COMMUNITY SERVICE VACATION CARE</td>
<td></td>
<td></td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>HAPPY FACES MULTICULTURAL CHILDRENS CENTRE</td>
<td></td>
<td></td>
<td></td>
<td>1,500</td>
</tr>
<tr>
<td>HURSTVILLE FAMILY DAY CARE</td>
<td>142,648</td>
<td>126,441</td>
<td>106,331</td>
<td>129,203</td>
</tr>
<tr>
<td>JUNIORS CHILD CARE CENTRE</td>
<td>3,411</td>
<td></td>
<td></td>
<td>811</td>
</tr>
<tr>
<td>KIM’S KINDY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LUGARNO SCHOOL ASC</td>
<td>758</td>
<td>2,256</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LUGARNO SCHOOL BSC</td>
<td>117</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LUGARNO SCHOOL VAC</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MARIA LONG DAY CARE CENTRE</td>
<td>5,523</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MILPERRA CHILD CARE COMMUNITY CENTRE</td>
<td>1,549</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MORTS ROAD CHILD CARE</td>
<td>4,311</td>
<td>963</td>
<td></td>
<td>2,514</td>
</tr>
<tr>
<td>MY LITTLE SUNSHINE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PADSTOW CHILD CARE CENTRE</td>
<td>11,198</td>
<td>580</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Centrelink administrative data.
<table>
<thead>
<tr>
<th>Service name</th>
<th>2000-01</th>
<th>2001-02</th>
<th>2002-03</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>PADSTOW PLAY ‘N’ LEARN</td>
<td>1,588</td>
<td>7,150</td>
<td>4,810</td>
<td>6,825</td>
</tr>
<tr>
<td>PANANIA CHILD CARE CENTRE</td>
<td>1,279</td>
<td></td>
<td>812</td>
<td></td>
</tr>
<tr>
<td>PANANIA PRE-SCHOOL KINDERGARTEN</td>
<td>1,653</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PANANIA PUBLIC SCHOOL AFTER SCHOOL CARE</td>
<td>2,531</td>
<td>1,500</td>
<td></td>
<td>536</td>
</tr>
<tr>
<td>PENSHEURST CHILD CARE CENTRE</td>
<td>4,788</td>
<td></td>
<td></td>
<td>26,726</td>
</tr>
<tr>
<td>PICNIC POINT CHILD CARE CENTRE</td>
<td>506</td>
<td>5,525</td>
<td>5,070</td>
<td>1,698</td>
</tr>
<tr>
<td>PICNIC POINT PRE SCHOOL &amp; CHILD CARE CENTRE</td>
<td></td>
<td></td>
<td></td>
<td>4,940</td>
</tr>
<tr>
<td>POLE DEPOT AFTER SCHOOL CARE</td>
<td>2,429</td>
<td>8,307</td>
<td>8,190</td>
<td>7,917</td>
</tr>
<tr>
<td>POLE DEPOT BEFORE SCHOOL CARE</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POLE DEPOT VACATION CARE PROJECT</td>
<td>3,704</td>
<td>5,616</td>
<td>3,744</td>
<td>3,328</td>
</tr>
<tr>
<td>RABBIT WARREN LONG DAY CARE CENTRE</td>
<td>1,349</td>
<td>1,000</td>
<td></td>
<td>85</td>
</tr>
<tr>
<td>REVESBY HEIGHTS KINDERGARTEN</td>
<td></td>
<td>1,000</td>
<td></td>
<td>1,365</td>
</tr>
<tr>
<td>REVESBY NOW N THEN OCCASIONAL CARE</td>
<td>33,890</td>
<td>35,504</td>
<td>30,775</td>
<td>36,400</td>
</tr>
<tr>
<td>REVESBY SOUTH PUBLIC SCHOOL AFTER SCHOOL CARE</td>
<td>395</td>
<td>1,500</td>
<td>441</td>
<td>1,592</td>
</tr>
<tr>
<td>REVESBY UNITED CHURCH CHILD CARE CENTRE</td>
<td>18,751</td>
<td>24,765</td>
<td>13,845</td>
<td>25,710</td>
</tr>
<tr>
<td>REVESBY YMCA AFTER SCHOOL CARE</td>
<td>17,891</td>
<td>5,915</td>
<td>6,838</td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA BEFORE SCHOOL CARE</td>
<td>8,453</td>
<td>3,340</td>
<td>234</td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA VACATION CARE</td>
<td>40,872</td>
<td>1,300</td>
<td>2,678</td>
<td></td>
</tr>
<tr>
<td>RIVERWOOD COMBINED OSHC</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDN RIVERWOOD EARLY LEARNING CENTRE</td>
<td>12,920</td>
<td>13,057</td>
<td>975</td>
<td>25,909</td>
</tr>
<tr>
<td>SOUTHERN CROSS PRE-SCHOOL AND LONG DAY CARE CENTRE</td>
<td></td>
<td>9,230</td>
<td>7,410</td>
<td>2,499</td>
</tr>
<tr>
<td>ST ABRAMS CHILD CARE CENTRE</td>
<td>36,975</td>
<td>10,270</td>
<td>21,446</td>
<td>16,900</td>
</tr>
<tr>
<td>ST LUKES BEFORE SCHOOL CARE</td>
<td>3,851</td>
<td>3,832</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ST LUKES PRIMARY SCHOOL AFTER SCHOOL CARE</td>
<td>4,388</td>
<td>1,000</td>
<td></td>
<td>1,274</td>
</tr>
<tr>
<td>TOWER STREET AFTER SCHOOL HOURS CARE</td>
<td>1,458</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WILLIAM ROAD CHILD CARE CENTRE</td>
<td>1,500</td>
<td>741</td>
<td></td>
<td>905</td>
</tr>
<tr>
<td>YMCA AFTER SCHOOL CARE SERVICE - PADSTOW HEIGHTS PUBLIC SCHOOL</td>
<td>5,543</td>
<td>4,613</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: FaCS NSW State Office and Centrelink administrative data.

Notes: 1. This table only includes services receiving Australian Government funding during the specified financial years.

2. Excludes Child Care Benefit held by services as Child Care Benefit is an entitlement of eligible families to assist with the cost of child care.

The programs funded for child care services in the electorate of Banks include Capital upgrade, Operational subsidy, Jobs, education & training child care (including special fees assistance), Special needs subsidy scheme and Block grant assistance.

(4) (a) (b) The number of children using services approved for Child Care Benefit in the electorate of Banks during the 2003-04 financial year is as follows:


<table>
<thead>
<tr>
<th>Sector</th>
<th>Children (all ages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMUNITY</td>
<td>2,405</td>
</tr>
<tr>
<td>PRIVATE</td>
<td>3,712</td>
</tr>
<tr>
<td>TOTAL (a)</td>
<td>5,897</td>
</tr>
</tbody>
</table>

(a) The sum of components may not add to total as children may have used services in more than one sector.

Notes: 1. Includes Long Day Care, Family Day Care, In-Home Care, Outside School Hours Care, Occasional Care, Vacation Care and Multifunctional Children’s services approved for Child Care Benefit.
2. State and service type weighted data
3. Children using child care services located in the electorate of Banks may not reside in the electorate of Banks.

Source: Centrelink Administrative Data as at 01-10-04.

(5) (a) It is estimated that at 30 June 2003, 3,199 children aged under 2 years resided in the electorate of Banks.

Source: Unofficial figures supplied by Australian Bureau of Statistics using official published Estimated Resident Population at Statistical Local Area level together with unofficial population estimates at the Census Collection District level.

(b) (i) (ii) The number of children aged less than two years using services approved for Child Care Benefit in the electorate of Banks during the 2003-04 financial year is as follows:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Children (less than 2 years of age)</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMUNITY</td>
<td>296</td>
</tr>
<tr>
<td>PRIVATE</td>
<td>507</td>
</tr>
<tr>
<td>TOTAL (a)</td>
<td>787</td>
</tr>
</tbody>
</table>

(a) The sum of components may not add to total as children may have used services in more than one sector.

Source: Centrelink Administrative Data as at 01-10-04.

Notes: 1. Includes Long Day Care, Family Day Care, In-Home Care, Outside School Hours Care, Occasional Care, Vacation Care and Multifunctional Children’s services approved for Child Care Benefit.
2. State and service type weighted data
3. Children using child care services located in the electorate of Banks may not reside in the electorate of Banks.

(6) (a) (b) (c) Since 2001, Centrelink has been combining co-located and co-managed After School and Before School Hours Care services as a single administered Outside School Hours Care service. Data are generally not separately available for After School Hours Care and Before School Hours Care.

The number of approved places for Outside School Hours Care in the electorate of Banks as at September 2004 was 800, the number of approved places for Vacation Care was 335.

(7) In September 2004, organisations which operated Outside School Hours Care child care services within the electorate of Banks are as follows:

Sponsors
GEORGES RIVER COMMUNITY SERVICE INCORPORATED
Mr Melham asked the Minister representing the Minister for Family and Community Services, in writing, on 9 December 2004:

(1) How many community-based child care centres were located in the electoral division of Banks in (a) 2002-2003, (b) 2003-2004, and (c) 2004-2005.

(2) What was the (a) name and address of each centre, and (b) the sum of Commonwealth funding it received.

(3) In respect of each centre, what sum was paid as (a) an operational subsidy, (b) a special needs subsidy, (c) an establishment grant, and (d) block grant assistance (transitional assistance).

(4) For the year (a) 2002-2003, (b) 2003-2004, and (c) 2004-2005, which Commonwealth funded child care centres located in the electoral division of Banks were overpaid and what sum has or will each centre be asked to repay.

Mr Hockey—the Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The number of community-based child care services located in the electoral division of Banks in:

- (a) 2002-03 31
- (b) 2003-04 28
- (c) 2004-05 29

(2) (a) The name and address of community child care services located in the electoral division of Banks, during any of the financial years above, is as follows:

<table>
<thead>
<tr>
<th>Service name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>GEORGES RIVER COMMUNITY SERVICE</td>
<td>PEAKHURST SOUTH PUBLIC SCHOOL,</td>
</tr>
<tr>
<td>AFTER SCHOOL CARE</td>
<td>PINDARI RD, PEAKHURST, 2210, NSW</td>
</tr>
<tr>
<td>GEORGES RIVER COMMUNITY SERVICE</td>
<td>PEAKHURST SOUTH PUBLIC SCHOOL,</td>
</tr>
<tr>
<td>BEFORE SCHOOL CARE</td>
<td>PINDARI RD, PEAKHURST, 2210, NSW</td>
</tr>
<tr>
<td>GEORGES RIVER COMMUNITY SERVICE</td>
<td>PEAKHURST SOUTH PUBLIC SCHOOL,</td>
</tr>
<tr>
<td>VACATION CARE</td>
<td>PINDARI RD, PEAKHURST, 2210, NSW</td>
</tr>
<tr>
<td>HURSTVILLE FAMILY DAY CARE</td>
<td>19 CONNELLY ST, PENSHURST, 2222, NSW</td>
</tr>
<tr>
<td>LUGARNO SCHOOL ASC</td>
<td>OLD FOREST RD, LUGARNO, 2210, NSW</td>
</tr>
<tr>
<td>LUGARNO SCHOOL BSC</td>
<td>LUGARNO PUBLIC SCHOOL, OLD FOREST RD, LUGARNO, 2210, NSW</td>
</tr>
<tr>
<td>LUGARNO SCHOOL VAC</td>
<td>LUGARNO SCHOOL, OLD FOREST RD, LUGARNO, 2210, NSW</td>
</tr>
<tr>
<td>MILPERRA CHILD CARE COMMUNITY CENTRE</td>
<td>147 ASHFORD AVE, MILPERRA, 2214, NSW</td>
</tr>
<tr>
<td>MILPERRA PUBLIC SCHOOL AFTER</td>
<td>MILPERRA PUBLIC SCHOOL, POZIERES</td>
</tr>
<tr>
<td>SCHOOL CARE (MOOSH)</td>
<td>AVE, MILPERRA, 2214, NSW</td>
</tr>
<tr>
<td>MILPERRA PUBLIC SCHOOL BEFORE</td>
<td>MILPERRA PUBLIC SCHOOL, POZIERES</td>
</tr>
<tr>
<td>SCHOOL CARE</td>
<td>AVE, MILPERRA, 2214, NSW</td>
</tr>
<tr>
<td>MILPERRA PUBLIC SCHOOL VACATION CARE</td>
<td>MILPERRA PUBLIC SCHOOL, POZIERES</td>
</tr>
<tr>
<td>SERVICE (MOOSH)</td>
<td>AVE, MILPERRA, 2214, NSW</td>
</tr>
<tr>
<td>PADSTOW CHILD CARE CENTRE</td>
<td>21 CAHORS RD, PADSTOW, 2211, NSW</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
(b) The sum of Australian Government funding for community child care services located in the electorate of Banks is as follows:

<table>
<thead>
<tr>
<th>Service name</th>
<th>2002-03</th>
<th>2003-04</th>
<th>2004-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>HURSTVILLE FAMILY DAY CARE</td>
<td>106,331</td>
<td>129,203</td>
<td>142,122</td>
</tr>
<tr>
<td>PANANIA PUBLIC SCHOOL AFTER SCHOOL CARE</td>
<td>536</td>
<td>536</td>
<td></td>
</tr>
<tr>
<td>PENShurst LONG DAY CARE CENTRE</td>
<td>26,726</td>
<td>2,970</td>
<td></td>
</tr>
<tr>
<td>POLE DEPOT AFTER SCHOOL CARE</td>
<td>8,190</td>
<td>7,917</td>
<td>8,831</td>
</tr>
<tr>
<td>POLE DEPOT VACATION CARE PROJECT</td>
<td>3,744</td>
<td>3,328</td>
<td>3,712</td>
</tr>
<tr>
<td>REVESBY NOW N THEN OCCASIONAL CARE</td>
<td>30,775</td>
<td>36,400</td>
<td>36,982</td>
</tr>
</tbody>
</table>

Source: Centrelink administrative data.
<table>
<thead>
<tr>
<th>Service name</th>
<th>2002-03</th>
<th>2003-04</th>
<th>2004-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVESBY SOUTH PUBLIC SCHOOL, ASC</td>
<td>441</td>
<td>1,592</td>
<td>1,592</td>
</tr>
<tr>
<td>REVESBY UNITING CHURCH CHILD CARE CENTRE</td>
<td>13,845</td>
<td>25,710</td>
<td>15,912</td>
</tr>
<tr>
<td>REVESBY YMCA AFTER SCHOOL CARE</td>
<td>6,838</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA BEFORE SCHOOL CARE</td>
<td>234</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA VACATION CARE</td>
<td>2,678</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDN RIVERWOOD EARLY LEARNING CENTRE</td>
<td>975</td>
<td>25,909</td>
<td>9,047</td>
</tr>
<tr>
<td>ST LUKES PRIMARY SCHOOL AFTER SCHOOL CARE</td>
<td></td>
<td>1,274</td>
<td>1,421</td>
</tr>
<tr>
<td>YMCA AFTER SCHOOL CARE SERVICE - PADSTOW HEIGHTS PUBLIC SCHOOL</td>
<td></td>
<td></td>
<td>4,613</td>
</tr>
</tbody>
</table>

Source: FaCS NSW State Office.

Notes: 1. This table only includes services receiving Australian Government funding during the specified financial years. 2. Excludes Child Care Benefit held by services as Child Care Benefit is an entitlement of eligible families to assist with the cost of child care.

The programs funded for child care services in the electorate of Banks include Capital upgrade, Operational subsidy, Jobs, education & training child care (including special fees assistance), Special needs subsidy scheme and Block grant assistance.

(3) The sum of Australian Government funding paid as (a) an operational subsidy, (b) a special needs subsidy, (c) an establishment grant, for community child care services located in the electorate of Banks is as follows:

<table>
<thead>
<tr>
<th>Service name</th>
<th>Operational Subsidy (includes establishment grant)</th>
<th>Special Needs Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>HURSTVILLE FAMILY DAY CARE</td>
<td>106,331</td>
<td>129,203</td>
</tr>
<tr>
<td>POLE DEPOT AFTER SCHOOL CARE</td>
<td></td>
<td>8,190</td>
</tr>
<tr>
<td>POLE DEPOT VACATION CARE PROJECT</td>
<td></td>
<td>3,744</td>
</tr>
<tr>
<td>REVESBY NOW N THEN OCCASIONAL CARE</td>
<td>29,605</td>
<td>36,400</td>
</tr>
<tr>
<td>REVESBY UNITING CHURCH CHILD CARE CENTRE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA BEFORE SCHOOL CARE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REVESBY YMCA VACATION CARE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDN RIVERWOOD EARLY LEARNING CENTRE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ST LUKES PRIMARY SCHOOL AFTER SCHOOL CARE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YMCA AFTER SCHOOL CARE SERVICE - PADSTOW HEIGHTS PUBLIC SCHOOL</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: FaCS NSW State Office.

(d) No services located in the electorate of Banks received Australian Government funding paid as block grant assistance during the financial years 2002-03, 2003-04 and 2004-05.

QUESTIONS IN WRITING
(4) (a) (b) (c) Child Care Benefit is paid in advance to services on behalf of eligible families to enable services to reduce the child care fees to those families. Child Care Benefit is paid on an ongoing advance/acquit basis. No debts or overpayments are raised as part of this ongoing process.

**Xstrata Alloys: Vanadium Mine**

**Question No. 406**

Mr Martin Ferguson asked the Treasurer, in writing, on 9 December 2004:

Has he acquainted himself with the unanimous report of the Western Australian Legislative Assembly expressing concern at the arrangements by Xstrata Alloys for the decommissioning and dismantling of its vanadium mine and plant at Windimurra in Western Australia; if so, will he, in considering the national interest test on a potential takeover of WMC Resources by Xstrata, have regard for Xstrata’s ability to manipulate local resources development to suit its overall results worldwide against Australia’s best interests.

Mr Costello—The answer to the honourable member’s question is as follows:

I am aware of the report to which the question refers. A copy has been obtained by the Foreign Investment Review Board (FIRB).

All foreign investment proposals that are subject to the operation of the Foreign Acquisitions and Takeovers Act 1975 (the FATA) are examined carefully to determine whether they raise any national interest concerns. Under the FATA, I have the power to reject or approve a proposal subject to conditions, if I consider it raises issues contrary to the national interest.

The FIRB provides me with advice on foreign investment proposals. All relevant information regarding a particular proposal which may bear upon the national interest test will be taken into account by the FIRB in providing advice to me. It is usual practice for the FIRB to undertake appropriate consultations, including with relevant state governments, in relation to proposals, and consideration is also given to any public submissions it receives.

Details of cases considered by the Foreign Investment Review Board are confidential between the Board and the parties concerned. No details are provided to third parties, and confidentiality requirements are strictly observed. This practice will be followed for any application in relation to WMC Resources and Xstrata.