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SITTING DAYS—2005

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- **NEWCASTLE**: 1458 AM
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- **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—THIRD PERIOD

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

House of Representatives Officeholders
Speaker—The Hon. David Peter Maxwell Hawker MP
Deputy Speaker—The Hon. Ian Raymond Causley MP
Second Deputy Speaker—Mr Harry Alfred Jenkins MP

Members of the Speaker’s Panel—The Hon. Dick Godfrey Harry Adams, Mr 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 Somlyay, Mr Kimberley William Willie

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

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PARTY ABBREVIATIONS

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

Heads of Parliamentary Departments

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

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

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

Minister for Justice and Customs and Manager of Government Business in the Senate
Senator the Hon. Christopher Martin Ellison

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

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

Minister for Human Services
The Hon. Joseph Benedict Hockey MP

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

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

Special Minister of State
Senator the Hon. Eric Abetz

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

Minister for Ageing
The Hon. Julie Isabel Bishop MP

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

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

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

Minister for Workforce Participation
The Hon. Peter Craig Dutton MP

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

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

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

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

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

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

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

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

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

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

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

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
Senator the Hon. Richard Mansell Colbeck
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<td>Senator Stephen Michael Conroy</td>
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<td>Wayne Maxwell Swan MP</td>
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<td>Senator Kim John Carr</td>
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<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<td>Shadow Minister for Regional Services, Local Government and Territories</td>
<td>Senator Kerry Williams Kelso O’Brien</td>
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<td>Shadow Minister for Manufacturing and Shadow Minister for Consumer Affairs</td>
<td>Senator Kate Alexandra Lundy</td>
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<td>Shadow Minister for Defence Planning, Procurement and Shadow Minister</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
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<td>Shadow Minister for Ageing, Disabilities and Carers</td>
<td>Senator Jan Elizabeth McLucas</td>
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<td>Shadow Minister for Justice and Customs, Shadow Minister for Citizenship</td>
<td>Senator Joseph William Ludwig</td>
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<td>Robert Charles Grant Sercombe MP</td>
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<td>John Paul Murphy MP</td>
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The SPEAKER (Hon. David Hawker) took the chair at 12.30 pm and read prayers.

COMMITTEES

ASIO, ASIS and DSD Committee

Report

Mr McARTHUR (Corangamite) (12.31 pm)—On behalf of the Parliamentary Joint Committee on ASIO, ASIS and DSD, I present the annual report of the committee’s activities 2004-05.

Ordered that the report be made a parliamentary paper.

FUEL QUALITY STANDARDS (ETHANOL CONTENT) AMENDMENT BILL 2005

First Reading

Bill presented by Mr Windsor.

Mr WINDSOR (New England) (12.32 pm)—The Fuel Quality Standards (Ethanol Content) Amendment Bill 2005 is a very important bill and I am hoping that both sides of the parliament will recognise the significance of mandating ethanol in our petrol supplies. I think it is time that Australia caught up with the rest of the world in relation to renewable energies. Ethanol is one of those energy sources that I believe we can use to start to address some of the renewable energy, social, economic, environmental and, in particular, health issues in relation to fuel emissions. I am sure there are many on both sides of the parliament who have over recent years seen the benefits of the use of ethanol within our fuel sources. The issues are becoming plainly clear to advocates of ethanol in this House. I want to place on the record my thanks to the member for Kennedy, the Hon. Bob Katter, for his assistance in this matter and for his almost incessant campaigning on behalf of the sugar and grain growers of Queensland in his electorate on this issue.

The health issue has not been raised as much as it possibly should have been. The health issue of small-particle emission problems occurring across our community at the moment is the subject of constant debate. There are also a number of economic and social issues. I think it is one of those issues where we really can start to address some of the underlying problems that our communities face. The Minister for Trade has been in my electorate in recent weeks and, in my view, he made a very important point. When asked about what is stopping the production of ethanol in Australia, the Minister for Trade said, ‘Big oil,’ and then made a political comment casting some aspersions on the Australian Labor Party.

I think the Australian Labor Party—and the Leader of the Opposition was on radio in Tamworth recently—have shifted their position quite dramatically. I now ask them publicly to shift their position even further and to support a mandate of 10 per cent that is scaled up over the next 10 years. The bill articulates the scale-up to at least four per cent by 1 July 2009, to at least seven per cent by 1 July 2012 and to at least 10 per cent by 1 July 2015. That is put in place to allow the investment and oil industries to absorb the change. It can and should be done.

It is time Australia moved with the rest of the world. There is an ethanol plant being built in the United States every 23 days. They recognise the significance of the changes that are happening in renewable resources, the problems that we may have in the Middle East and with oil supplies, and the US oil price per barrel. This bill is an enormous opportunity for regional development too. The investment that would take place in country areas to achieve 10 per cent in our fuel mix would be enormous. It would
have a triple bottom line effect. It would have the impact of using some of the grain and sugar cane that is currently exported to corrupt markets from which the farm sector has to accept very low prices. In Australia we export grain and sugar cane et cetera at very low prices to corrupt markets internationally. We then use some of that cash to access another corrupt market, that being the world oil market.

Here is an opportunity for this parliament to vote for a bill that stands up in a very real sense for regional development, regional investment and country support—particularly at a time of drought. One problem is the prices being received by our farm sector so that it can get through this period of drought. This is an enormous opportunity, and I call upon the House to put aside the divisions that have occurred in relation to ethanol use in our petrol in the past and look to the future of this nation, to embrace what the rest of the world is doing and to support the bill.

Bill read a first time.

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

COMMONWEALTH ELECTORAL AMENDMENT (PREVENTING SMOKING RELATED DEATHS) BILL 2005

First Reading

Bill presented by Mr Kerr.

Mr KERR (Denison) (12.37 pm)—Last February I introduced the first Commonwealth Electoral Amendment (Preventing Smoking Related Deaths) Bill 2005 which was seconded by my Western Australian Liberal colleague, Dr Mal Washer. The member for Moore had hoped that by seconding this bill it would send a bipartisan message of support. His action was courageous but, sadly, it did not move the Prime Minister. This bill, put forward again, and seconded on this occasion by my colleague and former minister for health Carmen Lawrence, would deny public funding to any candidate or political party that accepts any donations from the tobacco industry or from a person who derives substantial revenue from the manufacture, distribution or retail of tobacco products.

The notion of 'substantial revenue' means the bill will not apply to those whose revenue from the retailing of tobacco is only incidental to their supply of other retail products: for example, supermarkets, corner stores and petrol stations. I present this private member's bill again because there is still an immoral contradiction in Australian public life.

The Howard government continues to permit the Liberal and National parties to accept substantial donations from companies like Philip Morris and British American Tobacco, while telling young people not to take up harmful drugs. It allows itself to be wooed by big tobacco while administering a multibillion dollar health portfolio which must absorb and treat, but rarely cure, the victims of smoking related disease.

By contrast, the Australian Labor Party last year announced that it would no longer accept money from tobacco companies. We have, quite simply, done the right thing. Kim Beazley cannot be bought by tobacco interests.

We have heard the shocking figures before, but they are worth repeating. More than 19,000 Australians die from smoking related illness each year. Since 1950, tobacco has claimed the lives of three quarters of a million Australians. That is 750,000 people who did not live their lives to the full because they were addicted to nicotine. Those of us—myself included—who have smoked, or who do smoke, fool ourselves that we are not
caught up in an endless, pack-a-day game of Russian roulette. It is Russian roulette because we know that tobacco causes several cancers, cardiovascular disease, chronic obstructive pulmonary disease, and other respiratory diseases, asthma, low birth weight babies and sudden infant death syndrome. Financially, the cost to the nation is estimated at a staggering $21 billion in health costs each year.

The Australian Medical Association; the royal Australasian colleges of physicians and surgeons and the Royal Australian College of General Practitioners; the Cancer Council Australia; the Heart Foundation; Action on Smoking and Health; and the Australian Council on Smoking and Health have all called on the coalition parties to stop accepting donations from big tobacco.

Those coalition members who may be dragooned to support the Prime Minister will argue, as do the tobacco manufacturers, that tobacco is a legal product and therefore it is entirely appropriate to accept money made from those addicted to it. On the other side of this chamber, they supposedly see no apparent contradiction. But many do, and if there were a free vote on this bill, it would pass overwhelmingly. That is because, like no other legal product, when used exactly as intended, it has a lethal potential for the user.

In its inquiry into tobacco related matters last year, the Senate Community Affairs Legislation Committee gave its support to this bill. It reported on the risks involved—real and perceived—which have been articulated by the health and antismoking lobby. These groups are rightly concerned that private political donations do influence the way in which politics is conducted. VicHealth told the inquiry that ‘there is no space in which the interests of the tobacco industry coincide with those of the rest of the community’.

We were not voted into the place as fools and hypocrites. Tomorrow is World No Tobacco Day and, like many members, I will use that day as an occasion for reconsidering my own foolish smoking behaviour. We know right from wrong here. We should not be beholden to tobacco companies in any way, and this simple amendment to the Commonwealth Electoral Act will ensure there is no suggestion or possibility that we are.

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

Bill read a first time.

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

PRIVATE MEMBERS’ BUSINESS

HIV-AIDS

Mrs MOYLAN (Pearce) (12.42 pm)—I move:

That this House:

(1) acknowledges concern for the global incidence and impact of HIV/AIDS, particularly in the Asia/Pacific area;
(2) notes that UNAIDS expects that Asia will overtake Africa in absolute numbers of HIV infection by the year 2010 and that 40% of new infections will be in Asia/Pacific by 2010 if the region is unsuccessful in turning the epidemic around;
(3) recognises the strong link between injecting drug use and HIV transmission in parts of Asia;
(4) commends the Australian Government for the programs funded through AusAID in Asia and acknowledges the co-operation of countries and agencies working with AusAID staff abroad;
(5) commends the tremendous work carried out in the field by staff of AusAID and the difficult conditions under which they often work;
(6) recognises that HIV/AIDS epidemics among injecting drug users can be prevented, stabi-
lised and reversed, through timely and vigorous interventions; 
(7) whilst not condoning illicit drug use, endorses support for continuing to fund harm reductions strategies; and 
(8) acknowledges the Australian Government’s strong and longstanding support of international efforts to expand the response to the HIV/AIDS epidemic through increased resources and political commitment.

I appreciate this opportunity to bring to the attention of the House growing concerns about the spread of HIV-AIDS, particularly in the Asia-Pacific region. It is deeply concerning to note that already more than 20 million people have died as a result of HIV-AIDS, which is approximately the population of the whole of Australia. Indeed, HIV-AIDS has taken more lives than all the global conflicts since the end of the Second World War. These are sobering facts indeed. Certainly today, most people have an awareness of the devastating effects of HIV-AIDS on the African continent, but it is not so well known that according to UNAIDS, by 2010 HIV-AIDS in the Asia-Pacific region will overtake Africa in absolute numbers.

This is also a great opportunity to recognise the Australian government and those working in AusAID for their commitment and work in the Asia-Pacific region. Having recently visited with a delegation of members from this House the HIV-AIDS program in Yunnan Province in Western China, I am impressed with the work that Peter Mahomet and his team are doing, not just in China but in the bordering countries of Vietnam, Laos and Burma. This is the fourth occasion I have visited AusAID projects in China and on each occasion I have been greatly impressed by the incredible work done by our officers in the Department of Foreign Affairs and Trade through AusAID. These people are well qualified, enormously enthusiastic and incredibly professional, and Australia can feel justly proud of its contribution in the field to combat HIV-AIDS and in other areas of poverty reduction.

We attended a meeting in Kunming, in the Yunnan Province of Western China, with Peter Mahomet and his team. Peter Mahomet, the Asian Regional HIV-AIDS Program Manager, made the following points: Australia is recognised as an expert in harm minimisation programs related to intravenous drug users; the aid program activities are geared toward practical assistance and to strengthen local capacity to reduce HIV-AIDS related to injecting drug use; since the first case of AIDS was detected in the region in the early 1980s, there has been a rapid increase in HIV patients among drug users and commercial sex workers; and, in 2001, 50 per cent of intravenous drug users in Thailand, Burma, Malaysia and China were infected with HIV-AIDS.

In his address to our delegation, Dr Li Jianhua, Deputy Director of the Yunnan Institute for Drug Abuse, said that they estimated 80,000 cases of people with HIV-AIDS in 2003. I think the most concerning aspect of Dr Li Jianhua’s comments was that it is spreading to mothers and their children. Yunnan has a population of 43 million people and they now have six programs to combat HIV-AIDS. I would like to acknowledge the work of the Chinese side as well.

The delegation was very impressed by an excellent presentation by Ms Lin Lian from the Yunnan Police Academy. The academy has 6,000 students. They have produced a training video to assist law enforcers, and see harm reduction as a very effective program. They also believe that the drop-in centres they have created have been very effective. It was clear from our meeting, attended by party officials, government officials and those directly involved with harm minimisation and health programs, that they were very
committed to a reduction of the spread of HIV-AIDS. We applaud their work.

Apart from the obvious benefits of reducing the spread of HIV-AIDS, these jointly funded and staffed projects are also good for building relationships and promoting greater understanding between our people. As our countries are now more closely linked in trade and other areas, gaining insights into and understanding of the challenges China faces in dealing with social and health issues in the outlying provinces becomes increasingly important.

People such as Sam Muller, who is also involved in the Yunnan program, are playing a vital role in passing on all the experience Australian experts have in the field of preventing the spread of HIV-AIDS through harm minimisation programs. Once again, we commend the Australian government, the work of those in the field and the local officials of Yunnan Province for their work in combating the spread of HIV-AIDS. We do not condone drug use, but we recognise the significant role harm minimisation programs can play in preventing the spread of AIDS. (Time expired)

The SPEAKER—Is the motion seconded?

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

Mr BRENDAN O’CONNOR (Gorton) (12.47 pm)—More than 36 million people throughout the world are affected by HIV-AIDS. In the 24 years since the discovery of the disease, roughly 70 million people have been infected globally. The epidemic is still growing, without a plateau or equilibrium in sight. There needs to be a greater collaborative effort, using all the advanced technologies and the current heightened sense of international citizenry and, indeed, greater unity in this time of globalisation. AIDS is globalisation in action, demonstrating with cruel irony our connections to each other, since every person contracting HIV is connected to every other—whether by sexual contact, sharing of needles, blood transfusion or because their mother was infected.

I rise to support this motion. In particular, I think it is important that we focus on the epidemic in Asia. There has been a lot of media focus on people’s concerns for Africa; however, there has been so little focus on the Asian region. One of every five people newly infected with HIV is Asian. Ten years ago, it was not even one in 10 people.

I would like to talk about a particular area close to home. Most worryingly, in Papua New Guinea close to two per cent of the population is HIV positive. The HIV epidemic has spread slowly across the Pacific, to a total of 5,281 recorded HIV positive and 1,635 AIDS cases as at 31 December 2002—with estimates being much higher. PNG has the highest incidence of HIV-AIDS in the Pacific region, and the fifth highest percentage of 15- to 24-year-olds living with HIV-AIDS in South-East Asia and the Pacific. Heterosexual transmission is the predominant means of infection, with approximately equal numbers of men and women infected, except in the 15- to 29-year-old age group, where women outnumber men. Significant prevalence rates are found not only in large urban areas like Port Moresby but also in rural areas—typically around primary industry sites, including many companies based in Australia.

AusAID suggests that PNG’s epidemic has the potential to reach sub-Saharan African levels. The resulting impact on PNG’s economy and societal structures would be devastating. I think it is important for us to focus on the need to prevent as well as treat. Particular cultural beliefs and practices may hinder effective strategies to reduce the rate of the disease’s spread, as can low levels of...
education in some countries; continuing poverty; and taboos surrounding sexuality, women and infectious disease. Our ability to reduce increases in the number of HIV infections is compromised by hostility to harm minimisation strategies. The government have shown themselves—on occasion, at least—to be unable to make the intellectual leap required to see that harm minimisation strategies do not entail implicit support of drug use or the drug trade.

I think it is also important to talk about the causal links between poverty and AIDS. Poverty and AIDS are interrelated. The continued spread of the disease is devastating to Asian economies and individuals' ability to lift themselves and their communities out of poverty. HIV-AIDS threatens to reverse decades of development, because it attacks people in their most productive years, destroys communities, disrupts food production and places heavy burdens on already weak health services. Obvious solutions may lie in the increased Australian government aid to education specific programs, extending the reach of primary education into sections of the community by alleviating the cost burden for poor families.

May I also say that I managed to list a similar motion sometime late last year which asked the parliament to recognise World AIDS Day, held on 1 December each year. This motion is a particularly important one and I think that Australia has played a very good role, given our size as a nation. Indeed, the member for Pearce indicated how important our role has been in China, particularly in Yunnan Province, where there are programs under way to see whether we can mitigate the problems associated with HIV-AIDS in China. We need to take a leaf out of the book of AusAID and encourage other relatively wealthy sovereign states like ours to assist countries, in particular Third World countries in Asia, in our region, to ensure we do everything we can to stamp out this epidemic. (Time expired)

Mr KEENAN (Stirling) (12.53 pm)—I commend the member for Pearce for bringing this motion before the House and I recognise the support offered by the member for Gorton. The global impact of HIV-AIDS is something we should all be concerned about, particularly as it is becoming one of the major challenges facing our own region. In Australia we have come a long way from the grim reaper advertisements that first heralded the campaign against AIDS. We can never afford to be complacent in this battle, but it is true to say that Australia has enjoyed a lot of success in limiting the spread of this insidious disease. I believe that we are morally obliged to use our successful record in combating HIV-AIDS to help our friends and neighbours who face the same challenge.

In sub-Saharan Africa it is estimated that about 25 million people are living with this disease. The consequences of these rates of infection in Africa have the potential to condemn the whole region to generations of hopelessness and suffering. On top of this, UNAIDS estimates that Asia will overtake Africa in absolute numbers of infections by 2010. In the Asia-Pacific region last year there were one million new infections. That will be a further one million lives destroyed and another one million families devastated, with the consequential suffering that that inflicts on the fabric of those societies.

By 2010, 40 per cent of new infections will be in the Asia-Pacific if the region cannot address this epidemic successfully. In order to have any impact on the rate at which HIV is being spread in the world we have to first recognise that it is a problem, something that I believe has already been well established, and then to ask why. This motion recognises the link between HIV infection and intravenous drug use. In recognising this and
the success that Australia has had in reducing infection rates through education about this risk in particular, we can begin to move forward.

I was fortunate enough to travel to China with the member for Pearce and the member for Gorton, as they have both mentioned, and we attended a meeting of the AIDS Control Cooperation program that was arranged in Yunnan Province. At that meeting we heard that since the rise of AIDS in the 1980s the infection rate in this area has soared and that by the early 1990s it represented a full-blown epidemic, particularly amongst intravenous drug users in China, Thailand, Burma and Malaysia. In 2001, 50 per cent of intravenous drug users in these countries were infected with HIV.

The statistics are nothing short of horrifying. But while we were at the meeting I was proud to look at the role that the Australian government is playing in tackling this issue head-on by providing expertise and financial assistance. Australia, through the international HIV-AIDS strategy, is doing a number of things to help other Asia-Pacific nations to minimise the risk of infection by addressing the factors identified as being of particular risk in these countries. We have a five-pronged strategy aimed at: improving leadership and advocacy, building the capacity of countries to deal with the problem, helping to change attitudes and behaviours, addressing the transmission associated with drug use, and supporting treatment and care.

In China, Australia’s assistance to address the transmission associated with drug use is particularly valuable. Australia’s success in reducing harm associated with intravenous drug use, such as HIV, is well known throughout the region. Through AusAID, simple things such as providing access to clean needles and syringes and allowing for their safe disposal are being introduced. Neither the Australian government nor the workers involved in these programs condone drug use, but the simple fact is that it happens, and in China it is a major factor in the spread of HIV.

The amazing work being done by Australia, through AusAID and its hardworking staff, to tackle HIV is not only occurring in China. AusAID is working in Papua New Guinea, Cambodia, Indonesia, the Philippines, East Timor and sub-Saharan Africa. The impact of HIV-AIDS on our community cannot be and should not be underestimated. But at the same time it should be recognised that, while we face a massive task in addressing its spread and dealing with the physical and emotional consequences, all is not yet lost. Through programs such as the National HIV-AIDS Strategy and agencies such as AusAID, Australia is providing its own citizens and its neighbours with practical support to tackle the challenges ahead. (Time expired)

Mr RIPOLL (Oxley) (12.58 pm)—2005 is a big year for Australia in the multinational order. Apart from the Nuclear Non-Proliferation Treaty Review Conference this month and the meeting of the 60th United Nations General Assembly later this year, which will discuss Kofi Annan’s proposal for UN reform, we have the Millennium Development Goals Plus Five Summit. This summit will be the first formal assessment of progress towards the implementation of the Millennium Development Goals agreed by all governments, including Australia, in New York in September 2000. The IMF and the World Bank earlier this month released their formal Global Monitoring Report on the first five years of progress and, in some cases, nonprogress in the realisation of the specific MDGs. As the outgoing Australian President of the World Bank, James Wolfensohn, said when releasing the Global Monitoring Report on 12 April 2005:
The credibility of the entire development community is at stake as never before.

Rich countries must now deliver on the promises they have made in terms of aid, trade and debt relief, and the developing countries—especially in Sub-Saharan Africa—need to aim higher and do better in terms of their own policies and governance and to make more effective use of aid.

According to that report:

Every week 10,000 women die giving birth. In Sub-Saharan Africa alone this year, 2 million people will die of AIDS.

The report further observed:

Meeting the MDGs will require a doubling of the amount of official development assistance reaching the poorest countries.

At stake are not just the prospects for hundreds of millions of people to escape poverty, hunger and disease, but also prospects for long-term security and peace, which are intrinsically tied to development.

Specifically, goal 6 of the MDGs addresses ‘HIV/AIDS, malaria and other diseases’. The target is: ‘to have halted and started to reverse the spread of HIV/AIDS, malaria and other major diseases by 2015’. This is a truly serious problem. The ALP foreign policy statement of 2004 emphasised this, stating:

In its recently-released 2004 Annual Report, UNAIDS points out that the AIDS epidemic ‘continues to outpace’ the global response. An estimated 25 million people are living with AIDS in Sub-Saharan Africa—almost two-thirds of all people living with AIDS. In 2003 alone, an estimated 3 million people became newly infected and 2.2 million died in this region. UNAIDS reports that the epidemic is ‘expanding rapidly’ in Asia—including China, Indonesia and Vietnam. An estimated 7.4 million people are living with HIV in the region and 1.1 million (i.e. a population equivalent to Brisbane) became newly infected last year.

According to the World Health Organisation an estimated 1.8 million people died from tuberculosis in 2002. South-East Asia, with 625,000 deaths, Africa, with 556,000, and the western Pacific, with 373,000, were the most affected regions. Tuberculosis interacts with HIV-AIDS in devastating ways. People who are HIV positive are more likely to become sick when infected with TB than those who are HIV negative. According to the World Health Organisation, tuberculosis is the leading cause of death of those with HIV-AIDS worldwide, accounting for 13 per cent of all AIDS related deaths. In Africa HIV-AIDS is the most important factor behind increased incidence of tuberculosis over the past decade. Malaria continues to take a high human toll in developing countries, particularly in sub-Saharan Africa. According to the World Health Organisation, the roughly 300 million acute cases of malaria each year result in more than one million deaths around the world. Around 90 per cent of these fatalities occur in Africa alone.

I want to place on record also ACFID’s statement on AIDS. ACFID states:

While the majority of infections and deaths from AIDS are in Africa, the next battleground for AIDS will be the Asia-Pacific, unless drastic steps are taken. An estimated 7.4 million people in the region now have HIV AIDS, and about 500,000 are believed to have died from the disease last year. Only 6% of those who need anti-retrovirals are receiving them. About 1.1 million people were diagnosed with HIV in Asia-Pacific last year alone—more than any previous year. The human costs are immense and the future financial costs for aid donors and countries themselves will be huge unless a massive effort is made now.

To its credit, Australia has made HIV-AIDS a priority in the aid program. Australia has increased funding over the past two years and has made an initial $52 million contribution to the global fund to fight AIDS, TB and
malaria. This is appropriate and welcome, but there is much more that can and should be done if we are to contribute our fair share to this region and the people in our region, our neighbours. At the new level of funding for the HIV-AIDS programs Australia will be contributing $3 per person for HIV-AIDS over the period 2005 to 2007. This compares with $15 per capita being contributed by the USA and $22 by the United Kingdom. I believe that Australia should make a stronger effort in this area. *(Time expired)*

Mr LAMING (Bowman) (1.03 pm)—I wish to acknowledge the supportive words from all speakers on this motion prior to me and also to congratulate the member for Pearce for the motion. Before I speak about Asia and particularly Papua New Guinea, our nearest neighbour, I want to acknowledge all Australians who are living with HIV and to say that on average in every electorate in this country there are a hundred people living with HIV and of those two have AIDS. We are having our own battle with rising numbers of new infections that went up from 177 to 277 over the last four years. But thankfully there is a levelling off and, hopefully, an early fall in the number of diagnoses, from 831 down to 782 in 2003.

I focus today upon Papua New Guinea. It has a very different profile of HIV. Unlike in Australia with its predominantly gay male HIV population, the picture is considerably different in our nearest Pacific neighbour. Transmission there is through heterosexual activity and particularly, as we see in Asia and Africa, through export and transport routes throughout the country, and that is an area of focus in Papua New Guinea. With the highest level of HIV reported in the Pacific, Papua New Guinea is of special concern to us and not just for our strategic and historical links. It was the fourth Asian nation considered to have a HIV epidemic, and estimates—obviously inaccurate—vary from 25,000 to as high as 69,000 in that country of 5.2 million people. Adult prevalence is higher than one per cent. That is a completely different picture from the one we see in Australia, and those levels suggest that there are around 150 new cases being reported every week. So you can picture how it would be in Port Moresby General Hospital, where more than 40 per cent of the beds are now tied up by HIV patients. That is an enormous challenge for health services. It also means that it is probably the No. 1 cause of death in that region.

Papua New Guinea, as we know, faces numerous challenges. They have decreased access to quality health services. There is also deteriorating infrastructure in many locations and ongoing poverty. These problems make it very hard to break cycles, particularly in the area of the sex trade. We are seeing an emerging population of street kids with HIV in Port Moresby. That is of enormous concern because that is talking to rising injecting drug use in the population, which just adds another layer of complexity to interventions. Lastly, this is predominantly a cash economy where there is quite often no real chance of growth in earning opportunities, and that means many people will be turning to alternative industries. That will have an effect on HIV levels.

So what is being done? I will mention what I can in the time I have left. UNAIDS support for the national response is terribly important, and that is working with senior government officials to bolster political commitment to HIV responses and, of course, working through leadership fora in South-East Asia. Those consultations are already happening through departments of education, social welfare and development. Australia in particular is also focused very much on the Asia-Pacific region. It recognises that the characteristics of this pandemic and one’s capacity to respond are all evolving pretty
much independently in different countries with different circumstances. In July last year the Minister for Foreign Affairs launched Australia’s international HIV strategy, which is committing $600 million over 10 years, and that is in addition to the $200 million announced in the year 2000.

There are five priorities. I would like to speak today about three of them: strengthening leadership and advocacy, building capacity, and changing attitudes and behaviours. The first one, strengthening leadership, is absolutely critical. You have to be able to galvanise leadership and commitment in senior areas of domestic governments to ensure that those risks and vulnerabilities at the social and economic levels are all being addressed and that those countries—once they fully know the extent of the epidemic—can intervene appropriately. Through AusAID, the Australian government is undertaking just that kind of collaborative study. I am delighted that a special representative was appointed in 2004 for that very purpose.

The second priority is building capacity. We are seeing already that, with limited resources, it is often hard to do. We need to be training health workers in that area and we also need other forms of intervention to help not just at the health level but in improving and creating economic opportunities for those who are most at risk. Lastly, with respect to changing attitudes and behaviours, there is particular work by AusAID in the area of church groups, training of the clergy and meaningful assistance for those living with AIDS, such as Living with Dignity kits.

Those are three priority areas for AusAID. They are three vital inputs to turning around the HIV epidemic in our nearest Asian neighbour. I commend the Australian government for the commitment to this area and support this motion wholeheartedly.

Ms HOARE (Charlton) (1.08 pm)—HIV-AIDS has gained a significant and justified amount of attention in Australia’s foreign aid program. Over 22 million people have already lost their lives and more than 42 million are currently living with HIV-AIDS. Even if a vaccine were discovered today, over 40 million people would still die prematurely as a result of AIDS. Most AIDS-related deaths are those of young adults. The Minister for Foreign Affairs has made plenty of statements acknowledging the significance of the role of HIV-AIDS in the region. So far, the impact of HIV-AIDS in Asia has been relatively light, with infection rates of less than one per cent in all but three countries. However, the low overall numbers include high concentrations in some areas and among some groups of people. It travels with long-distance truck drivers, contract workers, undocumented migrants, and young women and boys trafficked across borders.

The number of people infected with HIV has reached at least one million in China and six million in India. AIDS is expected to cause 31 million additional deaths in India and 18 million more deaths in China by 2025. South and South-East Asia has a higher total of HIV infections and annual AIDS deaths than any region except sub-Saharan Africa. These figures, though, are dominated by the epidemic in India. Most Asian countries do have an opportunity to pre-empt serious outbreaks, but some countries, including East Timor, could be poised for HIV outbreaks. A recent study by UNAIDS in East Timor found nearly six out of 10 sex workers have never heard of AIDS, four out of 10 do not recognise a condom when shown one, and zero out of 10 consistently use condoms with their clients. In the Oceania region, Papua New Guinea has the highest prevalence of HIV infection in the Pacific. The annual number of new HIV infections detected in Papua New Guinea has
been increasing progressively since the mid-1990s.

In *Meeting the challenge: Australia’s international HIV-AIDS strategy*, the minister recognises the vulnerability of women to the disease, the need for strong leadership at all levels and changing attitudes and behaviours. The strategy does not mention anything about sexual and reproductive health. This is significant, as poor sexual and reproductive health status increases the likelihood of transmission of HIV. The majority of HIV infections are sexually transmitted or associated with pregnancy, childbirth and breastfeeding. Since reproductive health programs reach millions of women and young people and have a long history of advocacy, community mobilisation and outreach they have a crucial role in reducing the incidence of new HIV infections over the coming years. We must strengthen links between sexual and reproductive health and HIV-AIDS funding policies and services.

Governments know what is needed is better education and health care for women, including reproductive health, special information and education programs for women and girls empowering them to protect themselves, adequate and regular condom supplies and the insistence that men use them. All policy should be based on the Cairo ICPD program of action. The principles spelt out in the program of action arising from the global consensus of 179 nations at the International Conference on Population and Development in Cairo in 1994 should drive the agenda. Adequate sexual and reproductive health knowledge, information, choice and access to services are universal human rights. The review of the Millennium Development Goals must acknowledge the key role of sexual and reproductive health services. It is impossible either to reach the MDGs of eliminating poverty, reducing maternal and infant mortality, equality in education and gender empowerment or to combat the incidence of HIV-AIDS unless sexual and reproductive health services are funded as envisaged at Cairo.

There can be no success without empowering women. Women’s lack of socioeconomic power is a great catalyst for the spread of HIV-AIDS. Of the 14,000 new HIV infections that occur daily, more than 1,600 occur through mother to child transmission. There are three ways of preventing mother to child transmission. The first is preventing the infection in the first place. The second is preventing unintended pregnancy by women with HIV. The third is treatment, care and support for HIV infected women and their entire families. These three approaches can only be implemented successfully if there is close collaboration between sexual and reproductive health services and HIV-AIDS services.

Sexual and reproductive ill health accounts for one-third of the global burden of disease amongst women of reproductive age and one-fifth of the burden of disease among the population overall. Why are we discussing this issue here today in relation to Australia’s efforts? We are discussing it because richer countries should help poorer ones because it is the right thing to do. While supporting the motion here today and congratulating the member for Pearce, I urge the Australian government to do the right thing. *(Time expired)*

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

**World No Tobacco Day**

Ms CORCORAN (Isaacs) (1.13 pm)—I move:

That this House:
(1) recognises that tomorrow, 31 May 2005, is World No Tobacco Day;
(2) recognises that 19,000 Australians die each year due to tobacco related diseases;
(3) acknowledges the untold trauma of these diseases and the impact they have on families and communities; and
(4) recognises that tobacco use kills more Australians every year than alcohol, illicit drugs and the yearly Australian road toll combined.

Tomorrow is World No Tobacco Day. World No Tobacco Day was established to highlight and raise the awareness of the impact that tobacco has on society and to promote a tobacco-free environment. Every year 19,000 Australians die of tobacco related illnesses. Tobacco causes more deaths in Australia every year than alcohol, illicit drugs and car accidents combined. It costs us, the taxpayers, $21 billion every year. We all know about the risks of heart disease and lung cancer; we know about the lesser things caused by smoking—irritability, nervousness and impaired ability in performing basic tasks. Now there is research which shows that smoking affects our day-to-day memory. The research shows that heavy smokers forget things 22 per cent more than non-smokers and that moderate smokers forget things 12 per cent more than non-smokers. I guess the tobacco companies forgot to tell us that in their advertising.

The Cancer Council of Australia makes the point that tobacco is a unique consumer product. When used on a long-term basis, it will kill most of its users. It is addictive, so many people have enormous difficulty giving up once they have started. Although smoking rates are falling in Australia, we still have something like 20 per cent of the population smoking regularly. What is alarming to me, though, is the fact that the highest percentage of regular smokers is in the 20- to 29-year-old age group: nearly 29 per cent of this age group smokes. Even more alarmingly, of the three million Australians who smoke regularly, 205,000 are secondary school students. And doesn’t the tobacco industry know this; doesn’t the tobacco industry know that it has to continue to attract young smokers in order for the industry to survive. The industry knows that 90 per cent of adult smokers started smoking when they were teenagers.

Recently we have seen fresh-fruit flavoured cigarettes being promoted—an outrageous suggestion that somehow some cigarettes are, in some obscure way, vaguely okay, maybe even healthy. This is clearly aimed at the young market. This really is immoral behaviour by the tobacco companies. We have to get much tougher on tobacco companies and on how tobacco is allowed to be advertised. We should ban advertising altogether, and that includes the placards and displays in shops. We should be encouraging, even legislating, for responsible sale practices when it comes to tobacco. Coles Myer is to be congratulated for being the first retail chain to move tobacco out of sight. This has happened in all its retail outlets throughout Tasmania, and it is a move welcomed by health groups as being socially responsible and family friendly. The regular smoker knows where tobacco is sold and knows what brands he or she wants. They do not need the displays. The promotion material in the shops is all about attracting the young smoker and about enticing the ex-smoker to start again.

We have to get much more serious about encouraging people to quit as well as dissuading people from having that first cigarette. I have never been a smoker, so I have not experienced first-hand the struggle to give up smoking. I have watched a number of people close to me go through this process. Watching them struggle on an hourly basis, every day and, for many, for the rest of their lives demonstrates the awful addictive
nature of tobacco. Some of the people around me have been successful in their fight against tobacco; others have not been successful so far. All of them want to stop. They realise the destructiveness of the habit, but the addiction is overpowering. It is up to everybody, firstly, to understand the addictive nature of tobacco and to understand, too, that most smokers are no longer smokers by choice. Secondly, we must give all smokers all the support they need to quit. Understanding that smokers are not smoking by choice is important in providing that support.

In the recent budget there was $25 million set aside specifically for an antismoking campaign aimed at young people. This, of course, is welcome money. I would be even more impressed if the government joined the Labor Party in refusing to accept donations from tobacco companies. I cannot understand how anyone can accept donations from an industry that knowingly promotes a product that will kill most of its customers. We know that there is no such thing as a safe cigarette and we should be out there saying so loudly and often. We should be doing all we can to stop the immoral activities of tobacco companies in encouraging people to start or resume smoking. Tomorrow is World No Tobacco Day, and we should be using this opportunity to say no to tobacco and to support in any way we can those around us who have been caught up by this habit.

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

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

Mr Anthony Smith (Casey) (1.18 pm)—It is a pleasure to speak on this important motion. I would like to commend the member for Isaacs for moving it one day ahead of World No Tobacco Day. I would like to address some of the points she made on this very important health issue for Australia and speak about a number of policy issues that relate to that. As the member for Isaacs pointed out, the costs of tobacco use and smoking to Australia are well known. I think she quoted the annual cost, which is often publicised, of $21 billion a year. That is $21 billion of direct and indirect costs not just to those who smoke but, of course, to the community as a whole. Nineteen thousand Australians die each year as a result of smoking related diseases: heart disease, cancer and many other diseases that flow from smoking. That is about 52 people every day—52 people this day, tomorrow and every day this week—dying as a direct consequence of smoking.

A lot has been done in recent years. There is a great deal more awareness, and we have begun as a nation to make some inroads into cutting the percentage of people smoking. I think the member for Isaacs said it is still around 20 per cent of people over 14. That was in 2001. Today it has fallen to around 17 per cent, and that is much better than the rate we are seeing around the world. In fact, Australia has one of the best records in the world. In the UK the rate is still quite high: 26 per cent. But a lot has been done over recent years and a lot more has to be done. Some of the things that are being done at the moment include government programs that will continue to make a difference, particularly relating to GPs providing smokers with kits, education and information so that smokers can make that decision to get through the very difficult process of quitting smoking.

Of course, there has been a lot done on labelling and there is more to come in over the coming years, beginning in March of next year. The labelling on cigarette packets is quite vivid. That has been the case for a number of years. There is also a strong co-ordination package between the states and territories and the federal government which is
also important in all of those issues. As well, there is a special program costing $4.3 million over three years from July this year focused on women, particularly Indigenous women and pregnant women. There is still a large percentage of women who smoke while pregnant, unaware of the risks. That is a critical focus of a budget program that is coming in. As the member for Isaacs mentioned, there is a $25 million advertising campaign particularly directed at young people. It is the case that, whilst the percentage of people smoking has been falling, young people are proving a difficult age group to dissuade from smoking and are continuing to take it up. The advertising campaign will form a very important part of an education strategy to try and get this percentage even lower.

I welcome the commitment of the member for Isaacs and her support for the advertising program. I would implore her to seek the support of the rest of her party because, unfortunately, on other issues those opposite have a habit of being cheap and opportunistic. They pledge support for specific advertising programs in which they believe there is a community benefit, as the member for Isaacs has, but then they pledge to abolish every single advertising campaign—normally in the Leader of the Opposition’s budget reply—as a saving. I welcome the fact that the member for Isaacs has supported this $25 million program.

A lot more has to be done—and I think every speaker in this debate will acknowledge that—but the thing that has to happen is people taking a greater degree of personal responsibility and awareness. The people who began smoking 50 and 60 years ago did so not knowing all of the health risks that flowed from it. No-one taking up smoking now would be able to make that claim. No-one taking up smoking now would be able to say that they were not aware of the health risks. We need people to focus on the effect that smoking will have on their long-term health. (Time expired)

Mr GEORGANAS (Hindmarsh) (1.24 pm)—Tomorrow, as the member for Isaacs and the member for Casey have mentioned, is World No Tobacco Day. I know first-hand of the addictions of tobacco, and I am pleased to be celebrating almost 12 months of my first smoke-free year. Like most smokers, I started smoking when I was a teenager. We all know that approximately eight out of 10 new smokers are either children or adolescents. I remember going to the cinema and seeing the healthy and athletic images of the Marlboro man, which I am sure we all remember vividly, and of other people smoking—boy, how wrong was I! Besides that, all my friends smoked, so I decided that it was a good idea that I smoke as well.

Unfortunately, like the member for Casey said, we did not know about smoking in those days; we had no idea. We knew it was bad. The rumours we would hear from other people were that smoking perhaps stunted your growth, but we did not have the facts at hand as we do today. I became addicted and tried to give up on several occasions. I have struggled with this demon for many years. This is my third attempt and I am glad to say that it has been 12 months since my last cigarette.

I know that tobacco is the most dangerous drug in Australia. Over 19,000 people die every year from tobacco smoking—350 people die each and every week. These days every smoker knows the facts, but because the addiction is so powerful all of the information in the world is not always enough to make you stop smoking. It is important to keep trying, even if you cannot give up the first time. But the easiest way to do it is to not take up the habit in the first place. The only message I have for kids or adolescents
is: ‘Don’t take it up.’ Research shows that those who start smoking before they are 18 years of age are most likely to find it hard or impossible to kick this dangerous habit. As well as being poisonous, nicotine is more addictive than heroine or cocaine.

Aside from the obvious effects of smoking such as bad breath, stained teeth and smelly hair and clothes, smoking also causes cancer, heart disease, stroke, emphysema, asthma and blindness. To stay in business, tobacco companies are constantly on the lookout for new smokers to replace older smokers who have either died or who are no longer buying their product, like me. I was pleased to hear that earlier this year in South Australia the state Labor government launched a new cinema advertising campaign, aimed at young people, fighting the myths that smoking is somehow glamorous. The Marlboro man has been banned from the cinema for some time now, but that does not stop the images of attractive young smokers popping up in films and on television.

We are still meant to believe that there is something attractive about the habit. Through that imagery so many young people are told that smoking gives you a sophisticated, devil-may-care appearance. In reality, it gives you bad skin and bad breath and, as we all know, it gives you cancer. Cigarettes contain at least 11 known human carcinogens, including cadmium, formaldehyde, lead, benzopyrene and chromium. They also contain acetone, nitric oxide and hydrogen cyanide. It is amazing that, nonetheless, people voluntarily subject themselves to these poisons. Yet the most important ingredient, nicotine, means that once you start you are on a path to a range of diseases, including chronic obstructive pulmonary diseases—a range of lung diseases, including chronic bronchitis and emphysema—have smoked more than 20 cigarettes per day for 20 years. It is estimated that smoking contributes about 85 per cent of the risk factors for their developing these diseases. In Australia in 1998 there were more than 5,500 deaths from these lung diseases. It is estimated that there are around 300,000 people in Australia with COPD and that 20,000 new cases are appearing each year. Tragically, a person who takes up smoking in their teens is five times more likely to die of lung cancer than someone who starts after their mid-twenties. A smoker’s risk of dying from lung cancer is 10 times that of a non-smoker. Lung cancer is the second-leading cause of death for men and the third most common for women. Sadly, we are beginning to see an increase in smoking related disease in women.

Australia’s single largest cause of death in both men and women is coronary heart disease. It causes more than one death every 20 minutes and almost a quarter of all deaths. Smokers have a 70 per cent higher mortality rate from coronary heart disease than non-smokers. In those aged under 65 years of age, 45 per cent of men and 40 per cent of women who suffer from coronary heart disease are smokers. So if you are lucky enough to escape lung disease or heart disease you are still not out of the woods because smokers have about twice as much chance—(Time expired)

Dr WASHER (Moore) (1.29 pm)—I thank the member for Isaacs for recognising that tomorrow, 31 May, is World No Tobacco Day. Sadly, approximately 19,000 Australians per year are killed by tobacco and smoking accounts for more than one million hospital bed days per year. Approximately $21 billion a year is the cost of tobacco to the Australian community—more than alco-
hol and illicit drugs combined. It makes up an estimated 61 per cent of the total cost of drug abuse at $1,000 per person. Passive smoking costs the community approximately $47 million a year. Tobacco smoking is responsible for the greatest burden on the health of Australians. The health care cost for diseases attributable to tobacco use is about 79 per cent of the combined cost of health care for the abuse of tobacco, alcohol and illicit drugs.

The good news is that, compared to other OECD countries, Australia hosts a low percentage of smokers. The amount of people smoking over the age of 14 has dropped over the last 10 years. In 2001, smoking rates peaked in the 20 to 29 age group, 33 per cent of whom smoked. The lowest proportion was in the 60-plus age group, with 9.7 per cent smoking. In 2001, 22.1 per cent of adults—over three million Australians—smoked at least on a weekly basis and 30 per cent of people in blue-collar occupations smoked. In 2001, one in five teenagers smoked tobacco, with females, at 16.2 per cent, being slightly more likely than males, at 14.1 per cent, to be daily smokers. Ninety per cent of Australians who currently smoke began as teenagers.

According to the US Surgeon General, smoking represents the most extensively documented cause of disease ever investigated in the history of biomedical research. Cigarettes are highly addictive; fewer than 10 per cent of people who quit for a day are still abstinent one year later. Stopping smoking reduces mortality dramatically. Smoking increases with greater socioeconomic disadvantage, so the cost of smoking puts an even greater burden on those who can least afford it.

A United Kingdom study found that smoking caused 25 per cent of residential fires that resulted in death. I remember that in one hotel I stayed at a sign above the bed stated ‘Please do not smoke in bed as the ashes on the floor in the morning may be yours’. Smoking is the major cause of preventable death and disease in Australia. Tobacco causes several cancers, cardiovascular disease, chronic obstructive pulmonary disease, other respiratory diseases, asthma and low birth weight babies more prone to asthma. Lung cancer accounts for 27 per cent of smoking related deaths, followed by heart disease at 24 per cent and chronic bronchitis and emphysema at 23 per cent.

What are the preventative strategies? Commonwealth funding for antismoking measures under the coalition government has to date been some $24 million for antismoking campaigns. We will be introducing more graphic warnings on cigarette packets. In the recent budget the government has committed an additional $25 million over four years for antismoking campaigns, targeting young people, and some $4 million to reduce the incidence of smoking during pregnancy. It is estimated that $2 has been saved on health care for each dollar spent on tobacco control programs to date.

Australia ratified the first ever international treaty on health—the Framework Convention on Tobacco Control—which officially came into force in February this year. This will strengthen the global effort to reduce the epidemic of tobacco related death and disease. The WHO estimates that tobacco kills 4.9 million people globally per year. Doctors and all socially responsible people must continue their good work in advising smokers against the use of tobacco, appealing to not only their health concerns but also their vanity and social responsibility. The use of nicotine gum, patches and Zyban, along with psychotherapy, to assist in quitting smoking is well known. The new vaccine TA-NIC, a nicotine molecule attached to a cholera toxin sub-unit which prevents nico-
tine crossing the blood-brain barrier, is of great interest and, when available, will certainly be offered to my more recalcitrant friends.

Ms HALL (Shortland) (1.33 pm)—I congratulate the member for Isaacs on bringing this most important matter to the parliament today, the day before World No Tobacco Day. I think it is very appropriate that the House should debate this motion. I was a bit disappointed with the member for Casey and the fact that he chose to politicise the debate. I believe this debate should go across parties on both sides of the House and we should be unanimous in supporting the objects outlined in this motion.

Like the member for Hindmarsh, I come to this House as someone who is a little less pure than the member for Isaacs. I was a smoker; I started smoking in my teen years and it took me some 10 years, maybe even more, before I finally gave up. I have now been ‘clean’ for over 25 years, but I do appreciate how difficult it is to give up smoking. I know that, even after 25 years, I am still addicted to smoking. I could not go out of this House today and have one or two cigarettes and not take up smoking once again. That gives you an idea of just how addictive this substance is, especially considering the way that smoking has impacted on my life. Both of my parents were smokers. My father died of cancer. He had his voice box removed when I was quite a young girl. Even being subjected to seeing my father lose his voice box, suffer spots on his lungs and die of cancer, I was unable to kick the habit for quite a period of time. It is very important for us in this House to raise awareness within the community.

As has already been stated, every year about 19,000 Australians die from diseases caused by smoking. Tobacco also causes more sickness than any other drug in Australia. Hospitals treat over 140,000 smoking related cases. In 2002, 70 per cent of deaths from chronic obstructive pulmonary disease and 87 per cent of lung cancer deaths were attributed to smoking. Those figures are very significant. Tobacco smoke is a complex mixture of more than 4,000 chemicals and dozens of harmful substances that enter the lungs and spread throughout the body. The smoker is very unaware of this. All they know is that they have the urge to have another cigarette. Tar clogs the lungs and the carbon monoxide gas robs the heart of vital oxygen.

Cigarettes contain phenols, which are hazardous chemicals that paralyse and eventually kill the hair-like cells that normally sweep clean the sensitive lining of airways. Smoking worsens some of the health complications caused by type 1 or insulin dependent diabetes. Smoking is widely recognised as causing lung cancer. And it is not lung cancer alone; most cancers are affected by smoking. Research shows that women who smoke are more prone to breast cancer and it has an impact on colon cancer. I think you would find that any smoker is much more likely to develop cancer of one type or another.

Breathing problems are associated with it. You are more likely to have emphysema if you smoke and you may be prone to asthma attacks or shortness of breath. Men’s and women’s fertility is also affected: they tend to be less fertile. A woman who smokes when pregnant can affect her unborn baby’s circulatory and heart system. Its size and organs can be affected by being exposed to nicotine, carbon monoxide and other toxic chemicals. Hearing loss and memory loss, as the member for Isaacs mentioned earlier, can be a result. I believe research that is to be released soon will show that smoking also has an affect through muscular skeletal disease, which highlights another area. I call
upon the House to support the member for Denison’s bill, the Commonwealth Electoral Amendment (Preventing Smoking Related Deaths) Bill 2005, as one of the many strategies that we should adopt in looking at reducing the number of Australians that smoke. Let us on both sides of this House join together to support the member for Isaacs to ensure that tomorrow Australia remembers World No Tobacco Day.

Mr MICHAEL FERGUSON (Bass) (1.38 pm)—Cigarette smoking is the single largest preventable cause of death and disease in Australia. It is a major risk factor for cardiovascular disease as well as a range of cancers and other disabling conditions. So today I speak to the motion by the member for Isaacs in a bid to help reduce the number of people who take up the habit and therefore prevent future health problems. I congratulate the member for Isaacs for moving this motion today. A reduction in smoker numbers will help to ease pressure on our health system. It will also benefit families who may otherwise see their loved ones suffer and of course it will benefit the individuals themselves, who will be healthier.

Most concerning to me is when young people take up smoking, particularly for reasons of peer pressure. How can smoking be seen as cool or trendy when it kills almost 50 Australians every day? I believe that work to reduce the number of young smokers lies with responsible adults. Parents, teachers and respected family friends need to be in the front line in the war to prevent teenage smoking in the first place. It is this sort of responsibility that organisations like the Heart Foundation can build on in their important work. The foundation, which I am proud to say is extremely active in my home state of Tasmania, is a valuable source of heart health information in this country. It is quick to point out that there is no safe level of tobacco use. Smoking is highly addictive and the majority of adult smokers wish that they had never started to smoke in the first place.

In my previous career as a teacher, I witnessed the impact of smoking on young people in schools. The fact is smoking is known to be commonplace in Tasmanian schools. Its incidence is mostly hidden because young people can be very creative in finding times and places to have a puff. Teachers and the school communities involved are doing their best to discourage it, to discipline where necessary and to always teach young people to be responsible. But it is an enormous task and they need our ongoing support. As teachers and protectors of young people, we need to take a firm approach to halt the incidence of smoking. Teenagers need to know the ugly facts about cigarettes, some of which I am able to outline today. Some of my colleagues—the previous speakers to this motion—have already done an excellent job of doing that. Tobacco smoke contains thousands of chemicals including poisonous, addictive nicotine; oxygen-blocking carbon monoxide; and suffocating, carcinogenic tar. So plenty of poisons make up the cigarette smoke cocktail.

As frightening as all of this may seem, one thing we can be thankful for is that in this country these facts are now reasonably well known by the general community. In Tasmania last year, publicity was heightened by the late Premier Jim Bacon’s retirement from public life due to inoperable, terminal lung cancer. Mr Bacon said that he had been an idiot with regard to his health and the choices he had made in his life. He had smoked for 35 years despite advice from doctors, family and friends urging him to quit. Sadly Mr Bacon paid the ultimate price for that. To his great credit, in the days following his retirement he did his best to raise the issue in a public way to encourage his fellow Tasmanians, particularly young Tas-
manians, either to not take up the habit or to drop it.

High-profile cases like this one guarantee that we as a society remain very conscious of the fact that smoking is often frowned upon and bad for your health. Unfortunately, neither high-profile cases nor the enormous scale of suffering experienced by our population seems to be enough to stop what is ultimately a chemical addiction for so many. I am very glad of this country’s work toward preventing smoking, but I am still conscious that yet more needs to be done. I urge all my fellow Australians to get behind tomorrow’s World No Tobacco Day, to keep working towards a reduction in smoker numbers. The recent federal budget saw this government announce new funding of $25 million toward a new antismoking campaign that aims to tackle smoking among young people. I feel certain that all members in the chamber on both sides of politics will welcome this. The campaign will primarily target young people. It will also have messages for parents, recognising that parents’ attitudes to smoking will have a strong, influential role on their children’s. As responsible adults, let us encourage the younger generation to embrace tobacco-free lifestyles. I commend this motion to the House.

The SPEAKER—Order! The time allotted for this debate has expired. The debate is interrupted in accordance with standing order 34. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. It being almost 1.45 pm, I call on members’ statements.

STATEMENTS BY MEMBERS

Forestry Management

Dr EMERSON (Rankin) (1.44 pm)—I wish to alert the federal parliament to the threat to small New South Wales towns by a Carr government decision to withdraw large areas of the Pillaga state forest from wood production. The decision has the potential to devastate country towns like Gulargambone, Gwabegar and Baradine. I was born and grew up in Baradine, having to leave in 1970 when the area was being devastated by a drought and sawmill closures. Now, 35 years later, Baradine is again in a fight for survival. The one remaining hardwood mill is set to close. The other mills process cypress pine—definitely not an endangered species. The Gwabegar cypress pine mill is likely to close and the mill two kilometres outside Baradine is still negotiating for its survival. The forest areas these mills are being offered are low yielding. The townspeople fear the Carr government will offer the mill owners large sums to pack up and leave. That would devastate the town and could easily cause the closure of St John’s Convent School.

The government is offering jobs in national parks and forest thinning. But how long will they last? The protection of koalas has been used as a justification for this decision. When I was a boy, we heard of koalas in the Pillaga forest but never saw any. There are now big populations of koalas, including in the St John’s Convent playground. So it is hardly the case that they have been adversely affected by logging.

Bob Carr is worried about overcrowding in the Sydney basin. Where will the people of Baradine go if the town is devastated? Probably to Sydney. Destroying small country towns like Baradine would be shortsighted. I urge the Carr government to ensure that the mill along Kennebri Road is given access to quality resource—(Time expired)

Lilydale Athenaeum Theatre

Mr ANTHONY SMITH (Casey) (1.45 pm)—Today I want to recognise the hard-working volunteers of the Lilydale Athenaeum Theatre in the federal electorate of Casey. The Athenaeum Theatre is a historic building that dates back to 1888. It was a
famous theatre in its day, hosting Dame Nellie Melba and many others over the years. Thirty years ago a group of volunteers got together to take over what was then a derelict building to renovate it and bring it back to its former glory. On Friday I met with a group of the volunteers who were celebrating the 30th birthday of the reopening of the theatre.

I pay tribute to Ted Dunn, the creative director; Fay Hendrickson from theatre public relations; Richard Longmore, the chairman of the board; Anthony McAleer, a local historian who is writing a 30-year history of the theatre; and particularly Mr Russell Johnson, who has been working day and night for 30 years making sure the theatre is the best it possibly can be. As I said, the theatre operates entirely on the efforts of generous volunteers who build all the sets and ensure that everything runs smoothly on theatre nights.

Como Secondary College Golf Academy

Mr WILKIE (Swan) (1.46 pm)—Two weeks ago I had the privilege of being invited to my old school, Como Secondary College, to meet with the principal and students. The week before that was a stellar one for the students of the Como Secondary College Golf Academy. Como’s national championship winning team of Matt Jager, Gene Roberts and Mark Western travelled to New Zealand to represent Australia in the Callaway Trans-Tasman Challenge. With the top two schools from Australia and New Zealand vying for this prestigious title, the Como team won the title and the Trans-Tasman Trophy by six shots ahead of the Kelvin Grove School from Queensland. Kelvin Grove, I understand, falls within the boundaries of my colleague Arch Bevis’s electorate of Brisbane. Commiserations, Arch, but we West Australians are pretty tough fighters.

However the most impressive achievement was that of Como student Gene Roberts who shot a six under par 65 on day one of the competition, setting a course record off the championship tees. Gene will now have the honour of players such as Tiger Woods chasing his record and playing at the Paraparaumu championship course. In addition, Como Secondary College Golf Academy student Kristie Smith travelled to Sydney to participate in the Australian Women’s Open Foursomes Championship, teaming up with New South Wales partner Sarah Oh to win this prestigious award.

Finally, I would also like to pass on my congratulations to student Jaimee Nobbs from Como Primary School. I presented Jaimee with a sports achievement award earlier this month for excellence in ice skating. Jaimee is only 10 years of age but in February was the gold medallist in the Helmut Seibt Memorial in Vienna, winning against 44 skaters from 13 countries. Well done, Jaimee. I am sure she will follow in her mother’s footsteps and represent Australia in the Olympics.

Gold Coast Recreation and Sport Association

Mrs MAY (McPherson) (1.48 pm)—The Gold Coast Recreation and Sport Association is a community based organisation and registered charity which provides sporting and recreational opportunities to people with disabilities. The motto of the group is ‘Willing and able’, and that motto certainly came into its own last Saturday night. I had the honour and privilege of officially opening the 11th debutante ball for young people with disabilities in the grand ballroom of the Surfers Paradise Marriott Resort last Saturday evening—and what a night it was. Thirteen young ladies together with their partners were presented to Gold Coast dignitaries Mrs Daphne Pirie MBE and the Reverend Dr Ian Mavour OAM.
The girls looked a picture. Many local businesses had donated their services. Hairdressers, make-up artists and florists all came on board to ensure these young ladies looked beautiful for their special night—and look beautiful they did. Parents, friends and carers were all on hand to watch these very special young women make their debuts. Apart from the thrill and excitement of the night itself, these young people gained enormous benefits in confidence and social skills through the weekly practice sessions leading up to the ball. The idea for the ball was formed when a young girl with a terminal illness expressed a desire to be a debutante. This resulted in the inaugural ball being held in 1988, when 20 young ladies with disabilities made their debut. The tradition has continued every year since then. My congratulations go to all the sponsors and local businesses who, with their generosity, ensured the night was a huge success. It was a night to remember—a night those special young people will remember for the rest of their lives.

Mr Hugh Carrigan

Ms BURKE (Chisholm) (1.50 pm)—I want to praise a life well lived: Hugh Carrigan, a long time Burwood branch member in the Chisholm FEA. Hugh’s life was a testament to overcoming adversity. His mother died when he was four. His father could not manage the farm and being a parent, so Hugh ended up in a church-run orphanage. He put himself through university and started a life of teaching and a passion for the arts. He married Barbara, becoming a stepfather to David and Judy. Together they had three more children: Tim, Lucy and Rick. When life should have been kinder they lost Rick, at eight, to leukaemia and then Barbara too early as well.

Hugh was a true believer, passionate about social justice and the environment. He served in every office in the ALP, worked hard on many campaigns, was a terrific booth captain and a great wine seller. He was committed to grassroots activities through his involvement in the Neighbourhood House, Neighbourhood Watch and Friends of Gardeners Creek. Hugh was a great bushwalker and cyclist. Late in life he had the good fortune to meet Beryl. They married late last year, knowing that Hugh had not long to live. My sympathies go to Beryl and to Hugh’s remaining children. I also want to express to Beryl our thanks for her support for Hugh through this very sad time.

Mr Carl Sanderson

Dr JENSEN (Tangney) (1.51 pm)—I wish to commend one of my constituents in Tangney, Carl Sanderson, on winning a National Excellence in Teaching Award. There were only 32 teachers selected nationally out of 2,900 nominated. In addition, Carl has been selected as the sole Australian teacher representative to attend NASA’s international space camp at Huntsville, Alabama in July. Carl will be an ambassador for all Australian educators. This excellent and very lucky teacher will be partaking in space shuttle simulations, zero-G exercises and astronaut training at space camp. He will bring science and technology teaching programs back to Australia to share with teachers nationally. If anyone has any Australian icons—pins, books, CDs et cetera—could they please contact my office so that they can be given to Carl prior to his departure. As an ex-scientist, I commend Carl for his accomplishment and wish him all the best.

Minister for Health and Ageing

Mr BRENDAN O’CONNOR (Gorton) (1.52 pm)—I was intently reading the Oz this morning when I came across a sermon from the Minister for Health and Ageing, Tony Abbott, saying that the ALP, and the nation no less, would be a whole lot better
off if the Labor Party had a few more Christians in it. I nearly choked on my cornflakes. I would have thought that the minister had better things to do than lecture people on ethics. But no, in between breaking rock solid, ironclad promises to Australians and manipulating personal circumstances for political gain, Minister Abbott thinks he has the moral standing to sermonise others.

I ask the minister for health not to presume the absence of faith because of a reluctance by most politicians to exploit for political purposes their own religion. I further ask the minister to refrain from sanctimoniously invoking Christian ethics to justify his government’s policies, such as forcing people with disabilities onto the dole, detaining children behind barbed wire, smashing student dissent by silencing them on campuses, locking up detainees and throwing away the key, granting politicians tax cuts that are 10 times greater than those granted to child-care workers and removing basic protections for a majority of workers against unscrupulous employers.

Tell me, Mr Abbott, where are the Christian values in these government decisions? Where in the teachings of Christ does it justify the exploitation of fear over hope? What is intrinsically Christian to provide for the rich and powerful at the expense of the powerless and the poor? I suggest, Minister Abbott, that you would be better off focusing on your health portfolio and, if you have a spare moment, reading the New Testament.

**Industrial Relations**

Mr VASTA (Bonner) (1.53 pm)—Earlier today my office was targeted by the TWU protesting at the proposed IR reforms. There were only a handful of protesters—fewer than 10 members actually turned up and they stayed for only half an hour. It is sad that the unions want to take a confrontational approach. Sending a handful of men to picket the Bonner electorate office and intimidate my female staff accomplishes nothing. As a former businessman, I know the importance of industrial relations reform for local workers and small business. The current outdated legislation discourages small business from taking on new workers. It is as simple as that. There are too many pitfalls in the old legislation and employers often tell me that it is just too risky to hire new staff. I am disappointed that the unions seem to be more interested in scaring people than in helping them reap the benefits of much needed reform.

The rhetoric being used by unions is the same recycled scare campaign that has been used ever since 1996. They were wrong back then and they are still wrong now. Contrary to what unions say, I believe that workplace reforms will be a significant plus for the government at the next election. By then, the union scare campaign will have proven to be false and people will be reaping the benefits of the new system.

**Children in Detention**

Mr ALBANESE (Grayndler) (1.55 pm)—I wish to draw to the attention of the House the fact that officers of the Department of Immigration and Multicultural and Indigenous Affairs removed two children from Stanmore Public School in my electorate on 8 March 2005. This outrageous removal occurred without the presence of a legal guardian or relative of the children and without prior notice to the department of education. This process resulted in emotional trauma to the two children involved, to their friends, their teachers, allied staff and parents of the school. I ask that DIMIA immediately review the current practice of removal of children from school grounds and I intend to table a petition along those lines.

It is unacceptable in 2005 to have DIMIA officers knock on the window of a classroom.
and drag out two children, one of whom was born in this nation, take them to Villawood and lock them up. It is traumatic for those kids, and it is traumatic for every child in that school. It is typical of a department which is out of control, a department which has lost any sense of compassion and humane treatment and a department which is behaving in an un-Australian way. I ask the minister to stop this activity and to ensure, as my community would expect, that children are treated decently. That is why all kids should be out from behind barbed wire and out of detention.

**Asbestos**

Mr **LAMING** (Bowman) (1.57 pm)—I bring to the attention of the House Queensland Premier Beattie’s announcement last week that he would take 10 years to remove asbestos from Queensland state schools. That leaves many of our state students exposed to this deadly environmental hazard for the next decade and, worse still, 10 years of new students facing those very same risks until as late as 2015.

The Minister for Education and the Arts in Queensland, Anna Bligh, recently said that she had better places to spend the money than on removing asbestos. If it is a problem worth fixing, Minister Bligh, surely it is worth fixing now and not waiting for a few years until we discover that your miserly solution is the true penny pinching that it is. Peter Beattie obviously has spending priorities elsewhere. He recently announced $200 million would be spent on celebrating Queensland’s 150th birthday. How can I celebrate when I know there are school students being exposed to asbestos because the Beattie government are choosing to party rather than protect our school students? Queenslanders would accept a little less fanfare and a little more protection in the form of asbestos removal.

There are 26 schools affected in my electorate and only one of them is having the asbestos removed in the next 12 months. Today I call upon all Queenslanders to back me and expose the Beattie government for the hypocrisy they are displaying. Mr Beattie, let us have a party when we can truly celebrate a sesquicentenary where schools in Queensland do not have asbestos in them. Do not use flimsy diversions like, ‘We can only work on school holidays.’ Let us find solutions and not excuses to asbestos in Queensland state schools.

**Ipswich Motorway**

Mr **RIPOLL** (Oxley) (1.58 pm)—Last Friday two reports into traffic problems confronting Ipswich and south-west Brisbane were released and both confirmed what local residents have known for years: regardless of whatever else happens, the Ipswich Motorway must be fully upgraded. These latest reports add to the lengthy period of studies into the Ipswich Motorway. What is needed now is the political and financial commitment from the Howard government to get on with the job of fixing the region’s traffic woes. The government has talked a lot about commitment and money on the table but the truth is that the cupboard is bare. The federal government has had nearly 10 years to do something about the Ipswich motorway but today and 10 budgets later we have just had another report and still no action.

My office has been flooded with calls from concerned residents and community groups demanding to know what the government is up to, as, I am sure, other federal members in the local area have. Organisations like the Salvation Army at the Riverview Farm, which does a great job with many young people in the area, are deeply concerned about their future. The Wolston Park Golf Club is livid about the government’s lack of regard for and consultation...
about the half bypass, and they are angry about the unnecessary uncertainty caused by the Howard government’s playing politics with this issue of road infrastructure. This is a disgrace and shows how much the government is out of touch with the needs of the people in Oxley. There is now no certainty and more confusion. People are not sure about the future of that road or the so-called bypass. These reports tell us something we always knew about roads in the local region and that is that we need to upgrade the Ipswich motorway.

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

QUESTIONS WITHOUT NOTICE

Ms Schapelle Corby

Mr RUDD (2.00 pm)—My question is addressed to the Minister for Foreign Affairs. Could the minister advise the House what contact Bali consular officials have had with Ms Schapelle Corby since she was sentenced on Friday, and is the government confident that she is receiving sufficient access to healthcare and counselling services to ensure her physical and mental wellbeing? Can the minister also inform the House whether the Australian negotiating team has left for Jakarta for the purposes of concluding a prisoner exchange treaty with Indonesia and when he expects that agreement to be concluded.

Mr DOWNER—I thank the honourable member for his question. The answer to the first part of it is that the Acting Consul-General in Bali, Ross Tysoe, went and called on Ms Schapelle Corby immediately after she returned to the prison on Friday. He had a discussion with her for about 40 minutes and is obviously doing his best to monitor her welfare. He did offer her the services of a doctor if she wished, and I know that she said she did not need those services. Ross Tysoe, by the way, was the Consul-General in Bali at the time of the Bali bombing, so he knows the place very well, and I think he has done a very good job.

In answer to the second part of the question, I spoke with the Indonesian Minister of Foreign Affairs on the telephone yesterday. He was in Hanoi. We had a discussion about two issues, one of them being the case of Schapelle Corby. I explained to him that in Australia we obviously accepted the Indonesian legal processes but that there was substantial concern in Australia about this issue. He said that he was aware of the issue and aware of some of the controversy in Australia. He did say that Indonesia would be willing to negotiate a prisoner transfer agreement and I explained to him that our team would be up there at the beginning of next week. We have already sent a draft of a prisoner transfer agreement to the Indonesians.

I also take the opportunity of saying that I can understand that people have feelings one way or another about the Schapelle Corby case. A lot of people in Australia feel that she is innocent and she should be freed and so on. Let me just make this point, though: nothing is going to be gained on behalf of Schapelle Corby or anybody else by constant berating and abuse of Indonesia, the Indonesian government and the Indonesian legal system. That is just going to be counterproductive. It will not help Schapelle Corby and it will not help our broader national interests. It is important that people who wish to campaign for Schapelle Corby remember that, ultimately, the authorities they have to convince are the Indonesian judicial authorities. Abuse of Indonesia will not encourage support in Indonesia for their cause, and it is very important that that is remembered.

There are 156 Australians serving sentences overseas. The government will provide support for those people, as Australian govern-
ments have always done. We will continue to do that in all of those cases.

**Taxation**

Mr **KEENAN** (2.03 pm)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the urgent need for reform of Australia’s income tax system for hardworking Australians. Have there been new calls of support for the government’s efforts?

Mr **COSTELLO**—I thank the honourable member for Stirling for his question. I can inform the House today, 30 May, that if the government’s legislation is not blocked in the Senate every Australian will have a tax cut in 31 days time on 1 July. New voices have added themselves to the call for an improvement in Australia’s income tax system. Mr Bracks, the Premier of Victoria, is reportedly coming to Canberra on Friday to demand that inefficiencies in the income tax system at both ends of the spectrum be attended to. Of course, that is precisely what the government announced in its budget—cutting the rates for low-income earners and increasing the threshold for the top marginal rates. We now have Premier Bracks calling for those reforms. We have had Clare Martin, the Chief Minister of the Northern Territory, allegedly telling senators not to oppose the cuts. We have had Kevin Foley demanding that the income tax cuts go through. Paul Lennon saying that he would advise federal Labor not to block the tax cuts and, of course, we had Geoff Gallop actually claiming that he is responsible for these tax cuts. I know of not one Premier who is supporting the Leader of the Opposition on this issue. Isn’t that extraordinary? There are eight Labor chief ministers and premiers and, out of eight, not one has yet come to the defence of the Leader of the Opposition.

All Australians can have their tax cuts if the tax schedules are now in this House. So, if Labor wants to disallow those tax schedules, it can call a vote in this House. The tax schedules will also be tabled in the Senate the day the Senate next sits. The Senate does not sit until 14 June. If the Australian Labor Party votes for a disallowance in the Senate some time after 14 June, 850,000 Australian employers will be thrown into confusion and all Australians who deserve a tax cut will not get it.

The critical question now is: has the Labor Party made its decision? Has it decided on what it will be doing with those tax schedules? The member for Lilley was asked at a doorstop this morning if Labor had decided to disallow the tax schedules, and the member for Lilley said: ‘No. Labor has made its position very, very clear’—which is what: you will or you won’t?

Labor is still resolutely irresolute in its decision, decidedly undecided, unwavering in its indecision and certain of its doubts. It is determined not to determine whether or not to disallow these schedules. This is a joke. This is not leadership. This is not decisiveness. This is confusion and mismanagement. We call on the Australian Labor Party to announce the position. Do not disallow, do not throw employers into confusion, and let every Australian have the tax cut they deserve in 31 days time.

**Industrial Relations**

Mr **BEAZLEY** (2.08 pm)—My question is to the Prime Minister. It follows on from the question he was asked last week about penalty rates, allowances, redundancy pay and loadings for overtime or shift work being stripped from Australian working conditions and whether he would guarantee that no employee would be worse off as a result. Does the Prime Minister recall saying that his guarantee was his record? Does the Prime Minister’s record, and therefore his guaran-
Mr HOWARD—I thank the Leader of the Opposition for that question. When I spoke of my record, I spoke both generically and specifically. I spoke generically of the government’s record over the last 9½ years but I also spoke specifically of the lowest unemployment in 30 years. I spoke specifically of the more than doubling of the apprenticeships and traineeships available to young Australians. I spoke specifically of the fact that the average mortgagor in Australia is saving $500 a month on his mortgage as a result of the policies of this government. Being even more specific, I spoke of my record in leading a government that has presided over a 14 per cent increase in the real wages of Australian workers over the last 9½ years. I can only say again that, just as the Howard government is the best friend that Medicare has ever had, this government has been a better friend of the Australian worker than that lot opposite could ever dream of being. It was the workers of Australia who threw Labor into opposition and it has been the workers of Australia who have kept this government in office.

Drought

Mr SCHULTZ (2.11 pm)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry. Can the minister advise the House how the government is assisting Australian farmers in drought?

Mr TRUSS—I thank the honourable member for Hume for the question and, to take up the theme of the Prime Minister’s previous answer, there is no doubt that the best friend that farmers have ever had has been the Howard-Anderson government. We have been prepared to respond to the needs of farmers in difficult times. Just a little while ago the Prime Minister announced new assistance to help farmers through these very difficult times. There is no doubt that the current drought has had an immense impact particularly on rural and regional Australia, and many believe it to be the worst drought in at least 100 years. The government has already provided over $680 million in direct payments to Australian farmers, and about another $80 million in auxiliary benefits through such things as health care cards and access to the Youth Allowance.

The first four months of 2005 have been the hottest and second driest start to a year on record. There is no end to the drought in sight. The concerns that farmers have for their future are heightened when there is no rain on the horizon. For this reason—the severity and the extent of the drought—the government will provide an additional $254 million in benefits to support farm families during these tough times. The Prime Minister announced earlier that, effective from today, the off-farm assets test for the EC business support will double, from $217,000 to $435,000. The interest rate subsidy will increase from 50 per cent to 80 per cent in the second and subsequent years of an EC declaration. There will be a $10,000 annual offset against the income test for the EC relief payment. All of those measures will mean that more farmers will be eligible for exceptional circumstances assistance. They will get it in a more timely way and the benefits they receive will be even more generous.

The streamlined assessment process for EC will continue and we will be providing around $2 million in additional support for the rural financial counselling services, including the appointment of 10 additional...
drought counsellors in the worst affected areas. There is $4 million to support the family relationship services program and $3 million for the Country Women’s Association, to help them support farm families in the worst affected areas. In addition to that, the government will be providing $10 million for a special round of the Envirofund, to help communities and individual property owners to undertake projects which will help protect our biodiversity during these dry times and make sure that our environment is protected, as best we can, from the ravages of drought.

These new measures demonstrate that the government has been responsive to the concerns of farmers. We have reacted on a number of occasions since this drought began to make the EC arrangements more generous. This is a further demonstration of our willingness to stand beside farmers and their families during these tough times so that, once the seasons return to normal, the rural economy can again contribute mightily to our national welfare.

**Drought**

Mr BEAZLEY (2.14 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. It follows the answer he has just given. I ask the minister: can he explain how the $500 million package he leaked to the media last week is now just $250 million? Can you explain how the cash grants—despite the fact that the NFF and other farmers requested them—have disappeared from the package? Isn’t this just another case of ‘all spin and no spend’?

Mr TRUSS—Isn’t this typical of the opposition’s response—Labor’s attitudes to farmers facing difficulty? I am appalled at the scorn with which the opposition leader responds to a $254 million boost in assistance to farmers. The reality is that the government considered a range of measures and looked at the ways in which we could best help farmers. We took the view that an interest rate subsidy would help those farmers most in need—those who need to borrow because of the impact of the drought—and, therefore, that this interest rate subsidy is the most effective way of dealing with the drought in these circumstances.

Let me say that it is the height of hypocrisy for a Labor leader to criticise the fact that the Commonwealth is not introducing a grants scheme, when the Labor Party in Victoria axed their grants scheme for farmers as soon as their state election was over. Labor in Victoria did not think an assistance scheme of that nature was appropriate, and as soon as their election was over they axed the assistance. The reality is Labor’s record—both at the state and at the national level—in drought assistance has been way surpassed by what this government is doing.

We know that farmers are facing difficulties and we are prepared to help, even when we do not get cooperation from our Labor state colleagues. We are prepared to do our part to help farmers through these difficult times. Frankly, I am disappointed that the Leader of the Opposition has not endorsed this additional assistance, which is to be provided to some of the most needy people in our community.

**East Timor**

Mr HAASE (2.16 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the progress of maritime boundary negotiations with East Timor?

Mr DOWNER—First, can I thank the honourable member for Kalgoorlie for his question and for his interest. The honourable member may be aware that the last round of negotiations between the East Timorese and our officials was in Sydney from 11 to 13 May. That was the seventh meeting of our
delegations since the talks began just over a year ago.

The discussions put us on the threshold of an agreement with East Timor; all of the major elements of an agreement have been agreed between the officials. The agreement, as they say in diplomacy, is ad referendum: subject to final approval by the two respective cabinets. Officials are working on the finetuning of some minor aspects of the agreement, but this is an agreement that will be considered by the two cabinets soon.

The deal adopts an East Timorese proposal of setting aside permanent maritime boundaries and claims in the Timor Sea for 50 years. East Timor will receive an increased share of Greater Sunrise revenues once production commences. Depending on the price of oil—and we cannot, of course, predict it far into the future—that could be worth some $US2 billion to $US5 billion to East Timor, just to give a figure that is indicative of what they may get. This is in addition to the generous 90 per cent share of revenues that East Timor receives from the joint development area between Australia and East Timor, which will deliver $US14½ billion to East Timor over the next 20 years, or an average of $US2 million a day.

It is important to make the point that this is at least a draft agreement, which safeguards Australia’s sovereign interests while being generous to East Timor. That is what we have wanted to achieve. The East Timorese foreign minister, Jose Ramos-Horta, has a very good article in the Age newspaper today which characterises the negotiations as being ‘on the cusp of securing for the people of Timor Leste the fairest agreement possible.’ He described the deal as ‘the best overall agreement that enhances our’—East Timor’s—‘national interest.’

There are still some members of the public who accuse Australia of dealing unfairly with East Timor and have spent significant amounts of money on advertising campaigns and the like to promote their cause. We agree with Jose Ramos-Horta’s assessment that such people are pursuing their own, personal campaigns. I quote Jose Ramos-Horta: ‘with some degree of blind faith’. On this issue it is important that people examine the facts. On acquaintance with the facts, I think they will see that this has the potential to be a very good, mutually beneficial agreement.

Drought

Mr GAVAN O’CONNOR (2.20 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. Can the minister confirm that the centrepiece of the drought package announced today is an increase in interest rate subsidies from 50 to 80 per cent for eligible farmers? Will the minister now admit that this measure merely reverses a policy announced by the Deputy Prime Minister back on 14 December 1997 to progressively reduce interest rate subsidies available to drought affected farmers from 100 per cent down to 50 per cent? If the minister now believes that an increased interest rate subsidy—

Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order. That question clearly contains debate. The standing orders do not permit debate in question time. The question is out of order, and I ask you to ask him to desist from debate.

The SPEAKER—The member for Corio is introducing more than the material necessary to illustrate his question. I ask him to conclude his question.

Mr GAVAN O’CONNOR—If the minister now believes that an increased interest rate subsidy is warranted to assist farmers facing drought, and given that many farmers in New South Wales are now in their fourth year of drought—
Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order. You clearly said to the member for Corio that he was to get to the point of his question. He merely continued to read the diatribe, which is debate, and he defied your ruling. He is out of order.

The SPEAKER—The member for Corio was asked to conclude his question, and I believe he has almost come to his conclusion.

Mr GAVAN O’CONNOR—Mr Speaker, can I continue, please?

The SPEAKER—I would ask you to conclude the question.

Mr GAVAN O’CONNOR—If the minister now believes that an increased interest rate subsidy is warranted to assist farmers facing drought, and given that many farmers in New South Wales are now in their fourth year of drought, why did the government act to reduce the subsidy back in 1997? Isn’t it just another case of all spin and no spend?

The SPEAKER—Order! The minister will ignore the last part of that question.

Mr TRUSS—Mr Speaker, it is easy to ignore the last part because the first part had enough infertile material in it to have an effective response. As I mentioned in my first comment, the reality is that this is the worst drought in our nation’s history. It is appropriate, therefore, that additional measures apply in situations that go beyond previous experience. We are facing a drought that, as the honourable member said in his question, has gone on in some places for up to four years. Surely the responses that might have been appropriate in a more normal drought are inadequate in circumstances where there has been a drought for three or four years.

When the drought policy was adjusted in 1997, this government reintroduced the Farm Management Deposit Scheme, which Labor had gutted in office and made it an ineffective mechanism for farmers to put money aside in their good years to help them through the bad. We restored and rebuilt that scheme in such a way that farmers are able to use it now to help them through much of these tough times.

Let me also make one other comment. I note that the Leader of the Opposition has discovered over the last couple of days that there is a drought. He has given us the latest Labor Party response to the drought: he has formed a frontbench committee to liaise with the backbench committee on the drought. I am sure the farmers feel much more relaxed knowing that a frontbench Labor committee will negotiate with the backbench committee. Between them, they will not be able to find anybody who has ever been in a drought—who knows anything about it—and I think they would be far better off responding positively to the way in which this government has seen the need, provided real assistance to farmers and helped them through these really tough times.

Transport Infrastructure

Mrs HULL (2.25 pm)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House how the government is improving Australia’s transport infrastructure?

Mr ANDERSON—I thank the honourable member for her question. I am delighted to say that, unquestionably, AusLink is the most important change to the way that we both plan and fund our national transport corridors in this country. The government recognise that, while the states are the primary providers of infrastructure, we have a very important role to play in interstate and international connectivity. Under AusLink we are developing strategies with the states, local government and the private sector to ensure that we can maximise economic
growth and other desirable outcomes for our transport infrastructure into the future. I am delighted to tell the House that, on Friday, Victoria and the Australian government signed the AusLink bilateral. That is a very substantial step forward for the planning and the funding, and it is the cooperative approach we need, for infrastructure development in Australia.

Ms King—What about Deer Park?

Mr ANDERSON—I hear an interjection, ‘What about Deer Park?’ The sum of $1.15 billion will now start to flow for these projects in Victoria. We have agreed to continue discussing Scoresby. That money is still available for a freeway. That money will also take forward the port of Melbourne-Dyon link, where we have cooperatively designed a better approach for our export performance in that critical part of our national infrastructure; the Geelong Bypass, the Pakenham Bypass and the Calder Highway. Interestingly and importantly, Victoria and South Australia—which had already given a prior commitment in this regard—have agreed to apply the national code of practice for the construction industry. They recognise the importance of a flexible, realistic and proper approach to industrial relations. Regrettably some of the other states are still issuing their mantra to the effect that they are beholden to their union mates, but there are promising signs that New South Wales might recognise reality. I hope that the other Australian governments will fall into line very rapidly. There is a lot of focus on our national infrastructure these days. A lot of Commonwealth money—$12.6 billion—is also on the table. We need that money to flow, but it will flow when and as we have the bilateral agreements that ensure we will get value for the taxpayers’ money.

Minimum Wage

Mr STEPHEN SMITH (2.28 pm)—My question is to the Prime Minister, and it relates to the minimum wage and the Prime Minister’s statement that his record is his guarantee. I go to a specific aspect of that record. Isn’t it the case that, since coming to office, the Prime Minister has opposed every national minimum wage increase awarded by the Australian Industrial Relations Commission? Isn’t it the case that, as a consequence of that record, Australian employees on the minimum wage would be $44 a week, or $2,300 a year, worse off? How does the Prime Minister’s record provide any guarantee on the minimum wage?

Mr HOWARD—The member for Perth misrepresents the Commonwealth. He does a grievous disservice to the record of this government. It is not true to say that we have opposed increases in the minimum wage. We have argued for increases. Just because they happen to be different from those argued by the ACTU, it does not mean that we are wrong and they are right.

Australia-US Free Trade Agreement

Mr TURNBULL (2.29 pm)—My question is addressed to the Minister for Trade. Would the minister update the House on the ongoing benefits flowing from the free trade agreement between Australia and United States of America? What advantages can Australian workers and their families expect from this agreement?

Mr VAILE—I thank the honourable member for Wentworth for his question. This is a dynamic agreement not a static one and it continues to deliver benefits for Australian business and the Australian economy. One of our objectives when we were negotiating the free trade agreement was to get freer movement of professional people to work in the United States and in Australian businesses that have invested in the United States, and access for their families. At the time the US congress had a concern, not necessarily about Australia but with some aspects of
opening up opportunities for foreign workers coming into the United States, and therefore at the conclusion of the negotiation it was not part of the package. But the US congress agreed to continue to work with Australia on this very important issue. Our team in Washington, very ably led by then Ambassador Thawley, continued to lobby and work with congress and the specific committee in congress to achieve our goals in terms of getting more Australians access to work in the United States.

At the beginning of this month the US congress passed legislation which was quite historic. It has passed legislation allocating a new visa for Australians only to go and work in the United States. It is called an E3 visa. The E3 professional visa will allow up to 10,500 Australian professionals per annum to go into the United States and work, replacing the old H1B visa, which was for a global allocation of 65,000 places for foreigners to come and work in the US. Last year, out of those 65,000 places, Australians only filled 900 because they had to compete in that global allocation. Now we have a specific category, the E3 visa, which is just for Australians, and 10,500 Australians will be able to go and work in the United States in businesses and in Australian companies that have invested in the US.

Some interesting comments have been made about this. Consultant David Crawford said:

We hear weekly from Australian business people who are frustrated by the problem of trying to get professional staff into growing US operations.

This is the first time the US congress has created a special visa category for any country. At the time of the announcement a senior US official said that he did not think any other country at the moment would be able to get this sort of visa concession in the current climate in the United States. It epitomises the ongoing and dynamic nature of the US free trade agreement that continues to deliver benefits for the Australian economy and for individuals working in Australia and in the United States and that continues to add economic significance to the relationship.

Minimum Wage

Mr STEPHEN SMITH (2.33 pm)—My question is again to the Prime Minister and it also relates to the minimum wage. I refer to the recent decision of the independent Remuneration Tribunal that from 1 July the salary of a member of parliament would increase by four per cent, from $106,000 to $111,000 per year. Isn’t it the case that the government’s submission to the independent Australian Industrial Relations Commission in the national minimum wage case is that the minimum wage not be increased from $12 to $13 an hour, effectively a real wage cut? Can the Prime Minister explain how imposing a real wage cut for someone on the minimum wage earning $24,000 a year while awarding MPs a pay rise of $4,380 a year is fair?

Mr HOWARD—Can I say in reply to the honourable member for Perth that, so far from imposing real wage cuts, this government has presided over real wage increases. Can I just pick up the point about members of parliament’s salaries, seeing that the honourable member for Perth has raised the issue. I will not walk away from making the statement to this parliament that I do not believe that members of parliament—and I speak of people on both sides of this place—are overpaid. We have had a veritable parade of populism from those who sit opposite. At a time when it is in the national interest to attract people of ability into parliament on both sides, this constant resort to populism both by the member for Perth and by the Leader of the Opposition does not do the profession that we try to practise any service
at all. And if we lament—as I certainly do—about how difficult it is, particularly at the state level, to attract people of ability to run for parliament—and that is certainly the experience of the Liberal Party—I do not think that the course of action being taken by the opposition is in the national interest at all. It is typical of the bankruptcy of their alternative policies that all they can engage in is a bit of cheap populism at the expense of a calling and a commitment that, if this country is to have a future, is important to both sides of politics.

**Industrial Relations**

Mr BARRESI (2.36 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House of the public’s response to the government’s proposals for workplace relations reform? Are there any alternative policies?

Mr ANDREWS—I thank the member for Deakin for his question and I can report to him that there has been overwhelmingly favourable editorial coverage of the government’s proposals. For example, the *Australian*’s headline said ‘A big win for all the workers’, the *Financial Review* said ‘These reforms are a winner’ and the *Sydney Morning Herald*, amongst other things in its editorial, said:

These bold changes will deliver substantial net benefits.

Perhaps the *Weekend Australian* captured something about this in its editorial when it said:

Drama merchants in the Labor Party and the unions are warning of horrors to come following changes to the industrial relations laws.

It went on to say:

It is all nonsense—a fantasy from union apologists frightened of change.

We have seen some examples of this over the last couple of days. Firstly, on the *Sunday program* on Channel 9 yesterday when the Secretary of the ACTU, Mr Combet, was asked about this, he asserted that there would be one minimum wage, which is currently $12.60 an hour. This is an example of what the Prime Minister and I were saying last week, that we would see this dishonest, scaremongering campaign from the unions and the ALP. Mr Combet on Sunday said there would be one minimum wage, currently $12.60 an hour. The reality is that this package actually delivers minimum wages through the classifications that currently exist—not one minimum wage but minimum wages retaining the classifications. So Mr Combet was wrong.

We had another example of this on *The World Today* last Friday. There was an interview with a number of people including a Fran Tierney. Fran Tierney said that she was a worker relying on the minimum wage case. She said she was on $16 an hour and talked about having wages reduced to $5 or $6 an hour. Again, this is totally wrong. She obviously has not read the package. But what Ms Fran Tierney failed to disclose to the reporter on *The World Today* were a number of things. Firstly, that she is the New South Wales Deputy President of the Australian Services Union and also the President of the Community and Social Services Sector. One would think that an organiser, a deputy president of a state union and an officeholder of a state union would understand the detail of the policy, but obviously not—or is this just another example of the dishonest campaign from the Labor Party and the unions? What Ms Fran Tierney also failed to disclose is that she is a councillor for the Lane Cove Council in New South Wales. In addition to whatever salary she is getting from her union position, she is being paid over $1,000 a month as a councillor. This is hardly somebody on the minimum wage. But there is more to come—
Mr Albanese—Mr Speaker, I rise on a point of order. I know the concept that someone might be community minded is anathema to the people on that side but I wonder how this is relevant to the question.

The Speaker—The minister is answering the question but I believe he is probably coming to the end of his answer.

Mr Andrews—There is one other thing that was failed to be disclosed by this so-called battling worker. In 2001 Fran Tierney, according to the ALP web site, was their candidate for North Sydney.

Ms Gillard—Mr Speaker, I rise on a point of order. As you would recall, the former Speaker maintained a very strict line about using identifying names for people from outside parliament. This is amounting to attack on someone outside parliament—I suspect without notice to her. It is highly inappropriate and you ought to rule it out of order.

The Speaker—I thank the Manager of Opposition Business for her point of order. I believe that the minister is concluding his answer.

Mr Andrews—I have two final things to say in conclusion. Apparently, Fran stood for the Labor Party in a previous election as well. Fran from Lane Cove reminds me of Chris from Waramanga.

Minimum Wage

Mr Beazley (2.42 pm)—A new standard has been set there, Mr Speaker, and we will comply with it.

The Speaker—The Leader of the Opposition will come to his question.

Government members interjecting—

The Speaker—Order! Members on my right! The Minister for Human Services! The Leader of the Opposition has the call.

Mr Beazley—My question is to the Prime Minister. Can the Prime Minister confirm that the government’s submission to the current national minimum wage case argues that the minimum wage not be increased from $12 to $13 an hour, amounting to a real wage cut? Is the Prime Minister also aware that in its supplementary submission the government argued the $6 weekly tax cut for those on the minimum wage be taken into consideration in any minimum wage increase? Can the Prime Minister confirm the Remuneration Tribunal did not consider the $65 a week tax cut for MPs in recommending a four per cent pay rise for MPs? How can it be fair that members of parliament receive a double whammy pay rise and tax cut when seven million Australians receive only $6 a week extra and the poorest Australians find themselves confronting a government argument that because of that $6 they should receive no wage rise at all?

Mr Howard—My understanding of the way the Remuneration Tribunal works is that there is a fixed formula linked to a band in the SES. I suggest the Leader of the Opposition do his homework before asking the next question.

Health Services

Mr Tollner (2.44 pm)—My question is addressed to Minister for Health and Ageing. How is the government improving access to health services in rural, regional and remote Australia?

Mr Abbott—I thank the member for Solomon for his question. I know how hard he works to ensure that Medicare services are delivered to regional Australia. The Howard government does not just talk about improved Medicare services in regional areas but, through the rural health strategy, the government is spending an additional $830 million over four years delivering them. The government will be paying more than 2,000 long-serving country doctors up to $25,000 a year extra through rural retention payments.
There are 1,100 additional specialist services that are being delivered in country hospitals. We are supporting more than 600 allied health professionals working with country doctors and we have placed nurses into 1,100 country practices.

If you can get doctors to train in the country, they will stay in the country. This government has established 10 rural clinical schools and 10 university departments of rural health to ensure that at least 25 per cent of medical students do at least 50 per cent of their clinical training in country areas. Last Friday the government committed $7 million to establish an 11th rural clinical school, to be run by Flinders University and to be based at Alice Springs, at Katherine and at Gove. It is measures like this which are why country people trust the Howard government with their health care. There is no doubt about the Howard government: it is the farmer’s best friend, it is the worker’s best friend and it is the best friend that Medicare has ever had—and it has the best Prime Minister that Medicare has ever had and the best Treasurer that Medicare has ever had! Mr Speaker, if you look over there, you find that those opposite haven’t got too many friends. Not even Paul Keating is their friend these days.

Inspector of Transport Security

Mr McCLELLAND (2.46 pm)—My question is to the Deputy Prime Minister and Minister for Transport and Regional Services. In addition to the transfer of Mick Palmer from his position as Inspector of Transport Security to undertake the Rau inquiry, did the Deputy Prime Minister also approve the transfer of a number of key staff employed by Mr Palmer while he was transport security inspector? Why did the minister authorise this diversion of resources? Why did the minister fail to advise the House about the diversion of resources when asked about these matters last week? Doesn’t the diversion of resources from this important area show that the government puts its own political crises ahead of the security of Australia’s travelling public?

Mr ANDERSON—The answer to the last part of the question is no. To put this into some perspective, as I have explained to the House, the inspector position is a part-time role. It is a belt and braces approach to investigations, should they tragically become necessary, into any failures that result in a terrorist attack. The clear implication behind the question is that somehow the ongoing monitoring and auditing of our aviation safety arrangements are compromised because key personnel are being pulled out. That is the clear implication. In fact, that is not the case. I want to reiterate that Mr Palmer would be available again on very short notice should we need him.

I want to make the point that the ongoing work about which the member might reasonably be concerned is carried forward by the Office of Transport Security. To put it into some perspective, there are approximately 245 people there charged with those responsibilities. In fact, what the shadow minister asked about refers to two other staff members who worked part-time assisting Mr Palmer with the Rau inquiry. All expenses involved in that inquiry were paid for by DIMIA. The salary of the two officers over that period—some $14,000—was absorbed by my department. There has been no compromise in aviation safety or the maintenance of the regime. I have to say that I believe it is mischievous, unfortunate and unhelpful for the Labor Party to continue in this vein. I do not believe there is any place for a scare campaign as opposed to legitimate and informed questioning about aviation security arrangements in this country, and I think the Leader of the Opposition could, quite frankly, adopt a bit higher a tone.
Small Business

Mr CAMERON THOMPSON (2.49 pm)—My question is to the Minister for Small Business and Tourism. Would the minister outline the benefits to small business from a more flexible workplace relations system? Are there any alternative policies?

FRAN BAILEY—I thank the member for Blair for his question, and what a great job he is doing working with small business in his electorate. Ninety-five per cent of all businesses in Australia are small businesses, and the government’s workplace relations reform will be setting up a system which is fairer, simpler and more flexible. It will reduce duplication and it will reduce red tape for small businesses. This means that small businesses will be able to employ more people, they will be able to grow their businesses and, most importantly for the 3.3 million Australians who are employed by small businesses, they can look forward to continued growth of real wages. Mr Speaker, let me share with you a comment in response to the government’s reform that Mr Tony Pecuoco, proprietor of Fellini restaurant on the Gold Coast, makes. He says that the unfair dismissal reforms alone will allow him to take on more full-time employees. This is just one of thousands of examples of small businesses waiting to expand their businesses.

Mr Speaker, I am asked if there are any alternative views and, sadly, I can tell you that there are some alternative views for small business, and they reside with the Australian Labor Party. The Australian Labor Party have let it be known to small business that they do not support the exemption of unfair dismissal and they want to abolish the Australian workplace agreements. All that the alternative views held by the Australian Labor Party will contribute to small businesses is to hold them back, and that happens because the Australian Labor Party have no real understanding of small business and have no commitment.

Whaling

Mr ALBANESE (2.52 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry, representing the Minister for the Environment and Heritage. Is the minister aware that last Friday the Federal Court stopped action against Japanese whaling companies who are breaching Australian law and slaughtering whales in our waters? Is the minister aware the court relied upon the government’s submission that enforcing Australian law ‘would be likely to give rise to an international disagreement with Japan’? Why was the government willing to take court action against Japan to protect southern bluefin tuna in 1999, and was in fact represented by the then Attorney-General, Daryl Williams during that case, but has now intervened to stop action to protect whales?

Mr TRUSS—The government’s position in relation to whaling is well known and respected internationally. We have stood up to be counted and have made it abundantly clear that we are opposed to any measures to extend the whaling arrangements. We have been vigorous critics of the Japanese scientific whaling program, which clearly goes way beyond what anyone could consider to be a matter of science. Let me say, Mr Speaker, as a representative of an electorate which has a substantial whale-watching industry—in fact, it is the home of the whale-watching industry in Australia—that there is a particular commitment and concern in my own region to ensure that the whales of the world are effectively protected and that this very important industry in Australia is also recognised and appropriately protected.

The minister is currently involved in a range of activities to help underpin Australia’s commitments in relation to these mat-
There are a range of complex legal issues in relation to jurisdiction, concerning particularly the Antarctic territories, which make it difficult for Australia to be able to respond as comprehensively as we might wish to in some of those areas. But this government’s commitment to protecting Australia’s whales is resolute and determined. We have taken significant action over many years in what up until now I thought was a bipartisan spirit to protect this vital species for future generations to enjoy.

**Budget 2005-06**

Mr BAIRD (2.55 pm)—My question is addressed to the Minister for Vocational and Technical Education. Would the minister update the House on progress being made with the establishment of 24 Australian technical colleges?

Mr VAILE interjecting—

Mr HARDGRAVE—The Minister for Trade said ‘Port Macquarie’—that is one of the 24 locations around Australia. In fact, we will be spending around $351 million over the next five years on establishing these Australian technical colleges. They will combine academic and trade learning outcomes for students in years 11 and 12. As you know, Mr Speaker, Warrnambool, in Victoria, is another one of the locations—areas where there is a skills need and a significant youth population.

In order to update the House, the request for proposal stage closed on 20 May. We received 70 proposals from around Australia. All of the 24 regions have been covered. We will be having a very close look at those over the next few weeks, or month or so, and by about mid to late July we should be able to make some announcements on the Australian technical colleges which will be opening in 2006. The state of Victoria alone made 27 of the 70 submissions.

From our point of view, the Australian government’s commitment to giving young people a great sense of opportunity, promoting pride, promoting excellence in trade learning outcomes from their years at school, the Australian technical colleges and the way they build strong links between business and education and training providers is going to show the way.

**Telecommunications**

Mr GAVAN O’CONNOR (2.56 pm)—My question is addressed to the Prime Minister. Can the Prime Minister confirm that the .au Domain Administration has lifted the restrictions on the registration of geographical areas as domain names so that businesses now apply to register and exploit the name of any town or locality in Australia? Does the Prime Minister agree that most Australians are rightly proud of the place where they live and that, up to now, they have held the perfectly reasonable belief that the name of their local area was the property of the community? Why has the government allowed the .au Domain Administration to flog off the name of every town, city and suburb in Australia?

Mr HOWARD—Mr Speaker, let me say, frankly, I cannot answer that question. I will find out, and I will let you know.

**Budget 2005-06**

Mrs MAY (2.58 pm)—My question is addressed to the Minister for Workforce Participation. Would the minister advise the House how the government is working with industry to help people with disabilities into work?

Mr DUTTON—I thank the member for McPherson very much for her question. I understand that she is very keenly watching this space in relation to the support that the government is offering to people with disabilities to help them into important areas where there are real jobs. This government
provides real support to people with disabilities to help them into employment. In the recent budget, the government committed $50 million to employer or demand support to help those people who have a disability and are capable of working into real jobs.

We know that on the Gold Coast recently the Prime Minister launched a program, in association with the National Retail Association, to help 30 people on the disability support pension through eight weeks of training, including six days of paid work, to have real employment outcomes. The government believe that we need to support people with disability because they are a tremendous attribute to a workplace. They provide support to their fellow workers. They are trustworthy people and they are very much part of the way in which employers will engage employees into the future.

Today this government also takes the opportunity to commend the National Retail Association for their dedication to this sector. We know that retail in this country represents about one in six jobs at the moment and that over the next five years 150,000 people will take up opportunities in the retail sector. This government remains a tremendous friend for those disabled people who are able to work.

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

QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Immigration

Mr Howard (Bennelong—Prime Minister) (3.00 pm)—Mr Speaker, I wish to correct an answer that I gave last Thursday in question time. I indicated to the House:

... during the period of July 2000 to April 2005 over 88,000 people were located and detained by DIMIA as suspected unlawful non-citizens or working in breach of their visa conditions.

I can confirm that over 88,000 were located, but of those only 23,000 were detained.

CONDOLENCES

Mrs Kerrie Nairn

Mr Howard (Bennelong—Prime Minister) (3.00 pm)—With the indulgence of the House, I know that many in the House would want me to briefly mention that Kerrie Nairn, the wife of the honourable member for Eden-Monaro, Gary Nairn, died last Thursday evening after a short illness. Kerrie was well known and liked by so many on this side of the House. They had two children, Benjamin and Deborah. The illness was diagnosed only a short time ago. She fought a very brave battle against it, taking a very courageous decision a short while ago to give up chemotherapy treatment. She died at home, as anybody would hope to do in those circumstances, surrounded by her husband, her two children and other members of the family and having recently been visited by close friends. I know that Gary would appreciate this reference and that the thoughts of all members of the House will be with him at this very sad time.

Mr Beazley (Brand—Leader of the Opposition) (3.02 pm)—On indulgence on the same matter, we in the opposition certainly join the Prime Minister in sending our condolences and commiserations to the family of the member for Eden-Monaro, Gary Nairn. I had occasion to speak to him this morning. In fact, I was ringing him up to apologise because a pretty tough press release we put out arrived at the same time as the news of the death of his wife, Kerrie. Those were the worst possible circumstances for those things to inadvertently occur. I thought he was owed an apology by me in that regard, to be made public as soon as possible. We in this place live tough lives—it is tough on our families, even more than it is on us. This has been a terrible time for the family of one of us. All of us, whatever our
political differences, feel his personal circumstances directly and personally.

QUESTIONS TO THE SPEAKER

Question Time

Mr NEVILLE (3.03 pm)—Mr Speaker, I ask you to reflect on a point of order that was raised today with respect to the naming of a person on the AM program. If someone is named on the public record and the minister refers to that person in the context of the question, surely that does not breach the personal use of names rule. Could you reflect on that and report back to the House?

The SPEAKER—I thank the member for Hinkler. I assume that he is actually referring to an answer and not a question, because standing orders on questions are much more specific than the standing order on answers.

Mr Albanese—Mr Speaker, I rise on a point of order. In your consideration could you also examine the details of the answer given by the Minister for Employment and Workplace Relations and determine whether it was necessary for him to give the curriculum vitae of the person going back many years in order specifically to attempt to denigrate someone before this House who does not have recourse. I ask that you consider all of that.

The SPEAKER—I thank the member for Grayndler. I will report back to the House in the light of the question and point of order. I also remind the House of the point I made about the standing orders relating to questions and the standing order relating to answers.

Questions in Writing

Ms CORCORAN (3.05 pm)—Mr Speaker, under standing order 105(b), I draw your attention to the fact that questions in writing Nos 700 and 742 have been on the Notice Paper for over 60 days. I ask that you write to the appropriate minister seeking responses.

The SPEAKER—Under standing order 105(b), I will take the appropriate action.

PETITIONS

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

In-Vitro Fertilisation
Petition to the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House, the significance of IVF in our community, the opportunity that IVF offers to couples who would otherwise never have a family, and that 1 in every 35 babies born in Australia are as a result of IVF treatment.
Your petitioners therefore ask the House to ensure no changes are made to current Medicare funding of IVF treatments as proposed by the Howard Government.

by Mr Burke (from 11 citizens)
by Ms Corcoran (from 35 citizens)
by Ms Gillard (from 585 citizens)

Visas
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
We the undersigned citizens of Australia, appeal to the Australian Government to overturn the decision denying visas to certain East Timorese people.
We draw to the attention of the House that:
1. these people escaped from Timor during the Indonesian occupation, fearing for their lives;
2. others in similar circumstances, including some family members, have received permanent residency;
3. the people have lived in Australia for many years, contributing to the community;
4. no good reasons have been given for the apparently arbitrary decision to deport them.
by Mr Bowen (from 232 citizens)

Asylum Seekers

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

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

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

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

We, therefore, the individual, undersigned attendees at St Lukes Anglican Church, Carrum Downs, VIC 3201, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Ms Corcoran (from 7 citizens)

Treatment of Prisoners

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

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

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

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

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

• Lebanon does not have an independent parliamentary government.

We therefore pray that the House joins the Australian Lebanese and Amnesty International in taking urgent steps in opposing the imprisonment of political prisoners and to oppose foreign involvement in Lebanon so that all Lebanese can enjoy democratic freedom.

by Mr Martin Ferguson (from 297 citizens)

Mr William Khazreisi

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

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

• that Mr William Khazrei, who is a long - term detainee in Baxter Detention Centre (5yrs), is a genuine refugee and is of the Christian faith.

• that Mr Khazrei has strong community support and will be an asset and worthy citizen in the Australian community.

We therefore pray that the House ensures that Mr Khazrei is granted a Permanent Visa to remain in Australia.

by Mr Georgiou (from 20 citizens)

Telstra: Privatisation

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

These petitioners of the Division of Shortland and adjoining areas are deeply concerned at any plans to further privatise Telstra.

Further privatisation of Telstra will result in the loss of thousands more Telstra jobs, worsening services to regional and rural Australia, and the loss of up to $1 billion a year for all Australians earned from Telstra profits.

We believe these profits, both now and in the future, should be set aside to secure improved
educational opportunities for our children, increased research and development funds for our scientists and doctors, and more money for rural and regional Australia.

Your petitioners therefore respectfully request that the House reject any further sale of the Commonwealth’s shares in Telstra and that the annual profits from Telstra be used for the benefit of all Australians.

by Ms Hall (from 15 citizens)

Private John Simpson Kirkpatrick

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

We the undersigned request the John Simpson Kirkpatrick, of Simpson and donkey fame be awarded the Victoria Cross of Australia.

Under the Imperial Award system, the award of the Victoria Cross was denied to Private Simpson as a result of an error in the original application. A second application, in 1967 was also denied as the British government claimed a dangerous precedent would be set, in spite of a precedent already existing. Your petitioners request that the House of Representatives does everything in its power to insure the appropriate recognition of John Simpson Kirkpatrick by posthumously awarding him the Victoria Cross of Australia.

by Ms Hall (from 5,070 citizens)

Kyoto Protocol

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

This petition of concerned residents of Australia draws the attention of the House to the issue of environmental damage resulting from the production of Greenhouse Gasses. Continued deterioration of the environment will be destructive to weather patterns and lead to catastrophic economic and social damage around the world.

Your petitioners therefore request the House to immediately support the Avoiding Dangerous Climate Change (Kyoto Protocol Ratification) Bill 2005 which requires the Australian Government to ratify the Kyoto Protocol and help preserve the environment for present and future generations of Australians.

by Ms Macklin (from 304 citizens)

Ms Valentia Gythalovesa

We, the undersigned Staff and Students of Blacktown Girls High School, are deeply concerned for the well being and education of Valentia Gythalovesa who is currently being detained with her family at Villawood Detention Centre. Valentia is a valuable member of our school community and we want her to receive the best education she can. We would please ask that she and her family be released so that they can continue with their lives while the family’s situation is dealt with by the legal system.

by Mrs Markus (from 599 citizens)

Asylum Seekers

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

We the undersigned, in the light of the testimony of medical and health practitioners who have observed and treated asylum seekers held in Immigration Detention Centres, and of local and overseas studies, bring the Parliament’s attention to the indisputable fact that holding asylum seekers in long-term or indeterminate detention creates a legacy of shocking health deterioration which continues beyond the time of incarceration into the future. The current detention policy violates human decency and our obligations under International Human Rights Treaties.

The Government’s announced Removal Pending Bridging Visa is quite inadequate to remedy the situation of long-term detainees. By the Government’s admission it will at most assist only a small number of detainees, and it is subject to unfair prerequisites and conditions. We call on the Parliament and the Government and Opposition parties to resolve:

• that all long-term detainees should be immediately released without being required to forgo other forms of action in relation to their status; and without having to agree to their future removal

• to end the policy of mandatory detention
April 2005

by Mr McMullan (from 124 citizens)

Mr Sylvester Aben

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

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

14-year-old Sylvester Aben, a Rooty Hill High School student, has been detained at Villawood Detention Centre since 4 February 2005.

The UN Convention on the Rights of the Child requires that detention of children should be a measure of 'last resort', for the 'shortest; appropriate period of time' and subject to independent review.

Your petitioners therefore request the 'House to:

• Release 14-year-old Sylvester Aben from Villawood Detention Centre and allow him to live in the community and complete his schooling
• Legislate to ensure that Australia's immigration policy is consistent with the UN Convention on the Rights of the Child.

by Mr Price (from 50 citizens)

Austudy

To the honourable the speaker and the members of the House of Representatives assembled in parliament.

The following citizens of Australia draws to the attention of the house the need for Rent Assistance for Austudy Students. Austudy Students undertake a full time study load, incur a large HECS debt and experience financial difficulties. Rent Assistance helps the individual meet basic living standards by providing finance for housing.

Your petitioners therefore ask the house to allow Rent Assistance for Austudy Students.

by Mr Windsor (from 279 citizens)

Petitions received.

PRIVATE MEMBERS’ BUSINESS

Indoor Air Pollution

Mr HARTSUYKER (Cowper) (3.07 pm)—I move:

That this House:

(1) notes the results of research which indicates that indoor air pollution can represent a significant threat to the health of Australians;
(2) notes that levels of indoor air pollution can be up to ten times greater than acceptable standards for outside air quality;
(3) notes that unflued gas heaters are responsible for high levels of nitrogen dioxide, carbon monoxide, formaldehyde and carbon dioxide in the home or school; and
(4) recognises the need for Government to establish standards in relation to indoor air quality and products which can generate pollutants within an indoor environment.

I want to draw to the attention of the House the issue of the quality of air in our homes and schools. The quality of outdoor air is regularly monitored and regulated. However, while we expect a certain level of pollution from cars and industrial processes, we tend not to consider the fact that in our homes pollution can indeed present a problem. There is worrying evidence that, in homes and classrooms, using certain types of heaters will result in air quality worse than that in the central business districts of our major cities.

There are an estimated one million unflued gas heaters in use in Australia. Last year a report by the federal Department of Environment and Heritage examined the air quality of more than 100 homes using these heaters. The report considered research covering the following parameters: indoor concentrations of nitrogen dioxide, nitric oxide, carbon monoxide, carbon dioxide and formaldehyde; outdoor concentrations of nitrogen dioxide and nitric oxide; indoor temperature and relative humidity; ventilation rate; ambient wind speed, wind direction, barometric pressure, temperature and relative humidity; details of the various appliances in the house; and the construction and age of the house. The research found that when un-
flued gas heaters were in use there were sub-
stantially higher levels of nitrogen dioxide, 
carbon dioxide and carbon monoxide. These 
concentrations were higher than those in the 
ambient air. In other words, the air quality 
inside the houses was actually worse than the 
air quality outside them. The majority of the 
homes tested showed levels of nitrogen diox-
ide—a toxic gas—higher than the acceptable 
levels set by the World Health Organisation. 
Nitrogen dioxide causes breathing difficul-
ties and can exacerbate asthma, especially in 
young children. In most of the homes tested, 
the peak one hour nitrogen dioxide levels 
were some 10 times higher than the levels 
outside and some seven times higher than the 
Australian standard permits for outside air, 
including that for the CBDs of major cities. 
The levels of nitrogen dioxide measured in 
the study were not substantially different to 
those found in a study conducted in the late 
1980s, despite the fact that many of the 
homes tested were now of open-plan design. 
The research found that the level of formal-
dehyde exceeded National Health and Medi-
cal Research Council air quality guidelines 
on two out of 13 occasions, or on 15 per cent 
of occasions. It is interesting to note that the 
testing did not cover the entire winter season 
and that the research team concluded that 
there would have been higher levels of these 
gases present if the testing had been done 
throughout the entire winter months rather 
than during a test period that covered part of 
winter and part of spring. The research also 
found that heater labelling was generally 
inadequate as to readability, placement, en-
ergy rating and appropriate room size.

Other studies have shown a link between 
unflued gas heaters in school classrooms and 
asthma attacks. Symptoms of asthma were 
twice as prevalent in schools with unflued 
heaters, compared to those whose unflued 
gas heaters had been removed. In April this 
year, the enHealth Council, the peak envi-
ronmental health advisory committee in Aus-
tralia, stated that there were ‘significant ad-
verse health effects’ associated with these 
heaters and called for their removal from 
point of sale within five years. Last year, the 
Western Australian Minister for Health, Mr 
Jim McGinty, warned that the state govern-
ment considered these heaters a serious 
health risk. The issue that has been high-
lighted in relation to unflued gas heaters 
prompts the broader question of the effect on 
internal air quality of other heating appli-
cances. In the cooler months we tend to re-
duce the level of ventilation in our homes but 
we need to give thought to the fact that this 
could have an adverse effect on air quality. I 
believe there needs to be more public educa-
tion as to the potential dangers of indoor air 
pollution and the importance that adequate 
ventilation plays in ensuring a healthy indoor 
environment. Governments need to establish 
standards for indoor air quality. We need to 
examine carefully products which could ad-
versely affect indoor air quality by adding to 
indoor air pollution. I think that this is a very 
important issue. (Time expired)

The SPEAKER—Is the motion sec-
onded?

Mr Forrest—I second the motion and re-
serve my right to speak.

Mr BRENDAN O’CONNOR (Gorton) 
(3.13 pm)—I am happy to enter this debate 
on the motion moved by the member for 
Cowper, which has been seconded by the 
member for Mallee. I am a late stand-in, Mr 
Speaker, so you could say I am a Hartsuyker 
proxy. It is important for us to note that in 
recent years a growing body of scientific 
evidence has indicated that the air within 
homes and other buildings can be more seri-
ously polluted than the air outdoors in even 
the largest and most industrialised cities. As 
other research indicates that people spend 
approximately 90 per cent of their time in-
doors, it seems obvious that we are exposing ourselves and some of the most vulnerable groups in society to unacceptable health risks brought about by ignorance and an absence of acceptable indoor air quality standards.

Only a few weeks ago delegates to a conference in Tasmania heard from air quality expert Professor Kirk Smith from the University of California a warning that pollution within homes can be as harmful as outdoor air pollution. According to a new report by the Clean Air Society of Australia and New Zealand, the major problems are nitrogen dioxide, carbon monoxide, formaldehyde, environmental tobacco smoke, house dust mites, moulds and fungi. Pollution sources in the home can be as diverse as gas stoves, flueless gas heaters, new furnishings, particleboard floors, cigarette smoke—which we heard a lot about earlier today—and airconditioning ducts. People who may be exposed to outdoor air pollutants for the longest periods of time are often those most susceptible to the effects of indoor air pollution. Such groups include the young, the elderly and the chronically ill, especially those suffering from respiratory or cardiovascular disease. In Victoria in 2000 there were five deaths caused by carbon monoxide poisoning associated with gas heaters. Two of those five people were residents of a town called Kyenton, which I once represented in my old electorate of Burke.

Currently, outdoor air pollution is regulated by national standards enforced by the National Environment Protection Council. However, while we lack a set of comparable standards to govern indoor air pollution, people will continue to inhale air that is polluted significantly above healthy levels. In contrast, Canada and many European countries already have enforceable indoor air pollution standards. While our National Health and Medical Research Council has guidelines for indoor air quality, it has no power to enforce the guidelines.

Unfortunately, some of the very measures designed to improve environmental standards may have unintended health effects, which continue unexamined in the absence of detailed further information. The trend towards energy-smart housing, while obviously highly desirable in itself, has led to a tendency to seal up houses and commercial buildings, further reducing ventilation. Whereas houses used to have floorboards and vents, we are now more likely to lay concrete and particle board flooring, increasing the concentration of pollutants. It is a disturbing fact that the majority of chemicals in common use in indoor environments have not been thoroughly tested. Little is known, for example, about their effect on the human nervous system. Even less is known about the cumulative and interactive effects of chemical exposure.

While pollutant levels from individual sources may not pose a significant health risk by themselves, most homes have multiple sources of indoor air pollution which may interact. Such a phenomenon may be responsible for ‘sick building syndrome’, the term used to describe a situation in which building occupants experience acute health and discomfort effects that appear to be linked to time spent in a building but where no specific illness or cause can be identified. This is the result of exposure to toxic chemicals emitted from furniture, building materials and office equipment, particularly in buildings that use airconditioning. Typical symptoms include ear, nose and throat irritation, nausea, lethargy, asthma and allergic reactions. Long-term symptoms such as cancer and respiratory disease may be caused by long-term periodic exposure to chemicals and materials such as asbestos. Needless to say, the consequences and dangers for those working in the building industry should be
very obvious to all. I therefore recognise the need for governments at all levels to estab-

lish standards in relation to products which can generate pollutants in an indoor envi-

ronment. I also recognise the need for a set of national standards governing indoor air

quality. I support the motion. (Time expired)

Mr FORREST (Mallee) (3.18 pm)—I am pleased to follow on from the member for

Gorton because he is right on in his remarks, as is the member for Cowper. I think it is
good that the parliament is having a discus-

sion about this important matter, because the great majority of us spend 85 per cent of our
time indoors, whether in our working envi-

ronment or our home environment, and we

are seeing more and more research showing

that there are dangerous levels of pollution

within these environments. One of the things

I am pleased to see—and it probably relates
to my background as an engineer—is the
trend, as the member for Gorton has just
said, for the more energy-efficient design of,
in particular, our homes, our domestic envi-

ronment where we live. The tendency is to

use the sun to warm the home in winter and
avert the heat of the sun from the home in
summer. That means keeping air enclosed
inside the home. And that raises the issue the
member for Cowper has highlighted, which
is that, with so many toxic vapours coming
from modern household products, particu-
larly the carpet or paint in a new home, it is
important to have a circulating system to

vent the air.

The trend nowadays is towards energy ef-

iciency. In fact, in the Building Code of

Australia, which is the principal regulator of
criteria for the building of homes, there has
been a trend towards finding ways to encour-
age and establish standards in the direction
of energy efficiency. I have some concern
that, up until now, the issue of ventilation has
not been adequately addressed. It is a matter
of trying to educate the building and archi-
tectural design fraternities to consider dou-
ble-glazed windows; the right orientation of
homes; using low energy absorption materi-
als for construction, especially in the dry arid
zones; and not going for brick but for light
material which, if it does heat up, cools
much more quickly. So it is important that
ventilation be considered.

There are more and more commercial
products on the market for installation in
homes so that all the work and expenditure
that has been undertaken to keep household
environments cool through the day is not
wasted—in the middle of summer judi-
ciously venting the air in the evening while
we are sleeping and in winter venting the air
in the daytime. This emphasis is quite clear. I
looked up on the web a short time ago the
number of amendments that have been made
to the Building Code of Australia under sec-
tion A1, which is about definitions. There
have been 23 new amendments just this year,
all relating to new energy-efficiency provi-
sions in class 2 and class 3 buildings. More
and more we are going to be encouraged to
build energy-efficient dwellings and offices
in the first place, and the member for Cow-
per is quite right in drawing it to the parlia-
ment’s attention. We hope that those respon-
sible will follow suit, recognising the con-
cerns expressed by members here and re-
ponding to the need to establish standards
for the circulation and ventilation of air in
the home.

The matter is being progressed. As the
member for Cowper has already advised us,
following the workshop involving the envi-
ronment departments there have been a se-
ries of workshops involving key stakeholders
and other involved persons. Public com-
ments to changes in the Building Code of
Australia, which is currently out for public
consultation, are to be finalised. I hope it is
not too late because I am concerned that this
issue of ventilation is not adequately covered
in that consultation. It is important that the public are made aware. There are certain precautions they need to take when they are designing their homes for energy efficiency. Quite cheap additional investment can be made to ensure their homes are also safer for them and their families. I congratulate the member for Cowper for bringing this matter to the parliament’s attention.

Mr RIPOLL (Oxley) (3.23 pm)—I congratulate the member for Cowper. It is an unusual motion. We do not get too many of this style of motion in this place. When we in the House talk about air pollution there is always a risk that people might be referring to the things we say in this place. There must be something in the air this week. The member for New England has moved a motion on ethanol—one I am quite supportive of. It is a good idea. The member for Kennedy is here and he will have a few things to say about ethanol. Today we have also had the member for Denison and the member for Moore with an antismoking bill. All are to do with air pollution and the quality of the air that we breathe.

In this motion the member has specifically raised the issue of indoor air pollution. I had to rush off this morning to do a little research so I would at least know something about it. People will not be surprised to learn where that pollution comes from—simple things like smoke, wood heaters, chemicals and fumes from outside. That led me to do a little more research as to how indoor air pollution becomes a significant problem. It originates from outdoor pollution. At no stage, in an ordinary environment—for example, a home without special filters—can you have the air quality inside better than the air quality outside.

That led me to do some further looking around to see what that might mean. The sort of air pollution we are talking about is gasses and fine particles in the air: things such as carbon monoxide, which reduces the ability of blood to carry oxygen; nitrogen dioxide, which triggers asthma attacks; the depletion of the ozone layer, which causes respiratory disorders; and fine particles in the air, sulphur dioxide, for example. Outdoor pollution has a huge impact on what happens indoors. Indoor air pollution comes from cigarette smoke, heaters and stoves, chemical odours, animal furs, moulds, dusts and things that can affect our health. It is a serious issue because in Australia we have one of the highest rates of asthma in the world and some fairly horrendous respiratory disorders.

To be fair to the member for Cowper and to his motion, we need to have tight regulation. I agree that we need to look at these things. But we need to have a careful look at where some of the most dangerous of these pollutants are coming from. They are coming from vehicles—cars. Pollutants such as carbon monoxide, sulphur dioxide and other things cause adverse respiratory disorders and affect people in this country with chronic respiratory conditions and cause a range of deaths. There is a link between cardiovascular disease and respiratory disease.

A lot of research has not been done in Australia on this specific issue and there is little data on where pollution comes from and the level at which it impacts on us all. In the US they have done some very good studies on this issue. It would not surprise anyone that 80 to 90 per cent of people live in the big cities—in the coastal regions—and those areas have the highest incidence of car use and therefore the greatest problem with the fumes they put out.

We need to look at establishing standards but we need to go one step further and do something about them. The first thing we could do is start looking at car emissions—the major source of pollution in the air.
Emissions are impossible to see and it is really hard to determine the level of impact they have in terms of deaths. Research undertaken by the Bureau of Transport Economics in 2003 indicated that approximately 1,200 people die each year and 21,000 extra days are lost due to asthma attacks as a direct result of hydrocarbon and particulates in the air from motor vehicles. That accounts for about $3.3 billion per annum in lost revenue to the economy. Another study was done in 1998 by the National Environment Protection Council which had a figure closer to 2,500 deaths. There is a way to deal with this—with biofuels, ethanol, biodiesel and a range of things that oxygenate fuels and dramatically reduce the amount of carbons and toxins in the air. (Time expired)

Mr SLIPPER (Fisher) (3.28 pm)—As mentioned by the member for Oxley a moment ago, this is a particularly interesting motion. I commend the member for Cowper for raising this issue before the parliament. Certainly, he raises some matters which ought to be of concern to all of us. It is really a positive initiative to be having this debate. I hope that those who are expert in these matters will listen to the debate and that this will contribute towards a better national outcome in the area of internal air pollution.

Everyone knows that Australia is a country of sports lovers, a nation of people who enjoy the outdoors. We are fortunate that outdoor pollution levels in Australia are not as bad as those in other highly industrialised nations. Indoor pollution—pollution in our homes, our classrooms, our cars and our workplaces—is something we rarely think about. I sometimes worry over the fact that all the windows in Parliament House are locked and we are not able to get any fresh air into Parliament House. But it is not only Parliament House; there are buildings right around the country in which people who work in them face similar dilemmas to those faced by those who work in Parliament House.

Our personal experiences with indoor air pollution might come down to occasionally waving the smoke away from the smoke detector after we burn the morning toast over breakfast, but it is much more serious than that. There are hidden dangerous pollutants in these indoor environments that we would normally consider to be safe. It is quite plausible that many common illnesses may in fact have their origins in everyday indoor pollutants. In spite of our spending that considerable amount of time indoors, research on indoor pollution is scarce. That is why the motion moved by the member for Cowper is, in my view, so valuable. It is even more of a concern given that some sources say that many Australians spend as much as 90 per cent of their time indoors. We like to think that we are active outdoors people, but that statistic, I suspect, is perilously close to being true. We all encourage our children to have a healthy, happy and active lifestyle, but I suspect that we as a nation are now less active than we once were.

A polluted indoor environment can arise from a number of causes: contamination from inside or outside sources and biological origins from insects such as cockroaches and silverfish—all causes exacerbated by inadequate ventilation. Research conducted by Environment Australia in 2001 has identified 56 toxic air pollutants that have been found in indoor environments. Those toxins include carbon monoxide, nicotine and butane—which, of course, are all linked to smoking. While no doubt we all feel for the smokers in our community who must increasingly feel as though they are being persecuted by the majority, it is clear that smoking does create indoor pollutants and it has been proven that smoking, even passive smoking, can lead to very serious illnesses.
There are also biological pollutants, such as legionella and dust mites, and deadly substances, such as asbestos. We are all aware of the dangers of asbestos. I commend the member for Bowman for his 90-second statement today, in which he expressed his concern that it has taken some 10 years for the Queensland state government to remove asbestos from state school buildings in that state.

The list of toxic indoor air pollutants identified by various researchers also includes benzene, chloroform, ethanol, formaldehyde, lead, methanol, methyl chloroform, ozone, pesticides, propane, radon and sulphur dioxide—and this is just a portion of those toxins also identified by Environment Australia.

I am not suggesting that there is any easy solution to this problem we have in our community of indoor pollution. But, given the fact that research shows that we are spending an ever-increasing proportion of our lives indoors, it really is incumbent on us as legislators, on the bureaucracy, on the government as a whole and perhaps even on the community as a whole to bring forward solutions so that we are able to reverse what I believe has been a very worrying trend in this area over recent years.

Ms HALL (Shortland) (3.33 pm)—I start my contribution by saying that this is a most interesting motion that the member for Cowper has put before the parliament. It is one that challenges traditional views of what air pollution is. Nonetheless, it raises an area that I think is very important. The member for Cowper raises extremely valid concerns. He raises awareness within the community that points us in the direction of the home and the indoor workplace. He also raises the need for us as a parliament to consider related issues.

I turn to the fourth part of the motion of the member for Cowper, in which he says there is a need for the government to ‘establish standards in relation to indoor air quality and products which can generate pollutants within an indoor environment’. The first point that needs to be made is that there is no single government authority in any jurisdiction that has responsibility for indoor air quality. No regulations or codes have been developed specifically for indoor air except for in workplace environments. I will go to that in a moment and to some of the problems that can happen in what we would see as the safest of workplace environments. An investigation of ventilation systems of 228 low-rise office buildings in Melbourne found that 82 per cent failed to meet the Australian standard. I think that is a very significant figure. If we examine a significant sample, like the sample that was examined in Melbourne, and find that 82 per cent of those buildings fail to meet the Australian standard, this shows a significant problem and one that needs to be addressed.

In my past life I worked as a rehabilitation counsellor. When I was thinking back to workers with whom I worked who had problems, a certain woman came to mind. She had worked in a government office and had been affected by fumes from photocopiers and other office machinery. She had developed an immune deficiency. This immune deficiency impacted on her life in each and every way. That shows how a work environment perceived to be one of the safest can actually cause harm to workers through indoor air pollution.

Exposure to environmental tobacco smoke causes lung cancer in adults and low respiratory illness in children. It contributes to the symptoms of asthma in children and may also cause coronary disease in adults. We have previously had a debate about World Tobacco Day here in this House, and I think it is very important to also link this to the workplace. It is being questioned at the mo-
ment in many jurisdictions whether patrons of hotels and clubs should be allowed to smoke within those establishments because of the pollution that is caused by that smoking and the harmful effects that that can have upon the workers in that environment. I believe there are significant issues surrounding indoor air quality and, as a parliament, we need to get our minds around them. I think it is important for all governments and all jurisdictions to look at this.

Turning quickly to the definition of ‘air toxics’, ambient air pollutants can be divided into two categories: criteria pollutants and air toxics. Criteria pollutants are emitted from a wide range of sources and are commonly found in ambient air. There are six criteria pollutants, namely carbon monoxide, lead, nitrogen oxide, photochemical oxidants, particles and sulphur dioxide. These pollutants are found indoors each and every day. They need to be monitored and strategies need to be developed to address them. Governments at all levels need to be aware of these pollutants and take them into account when they are developing proper standards and control for air quality indoors.

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

Taxation

Mr BEAZLEY (Brand—Leader of the Opposition) (3.38 pm)—I move:

That this House:

(1) notes the statement by the Treasurer that families who are paying off a mortgage and have children would be struggling on $40,000 to $50,000;
(2) notes that the 2005-06 budget offers a tax cut of only $6 to those struggling families;
(3) notes that the alternative tax package proposed by the Opposition would provide these same families a tax cut of $12; and
(4) calls on the House to adopt Labor’s tax package as the best means of helping Australian families.

The record of proceedings in this House last Wednesday shows the names of 78 members of the Liberal and National parties who made a fateful decision. At 7.05 pm on 25 May they voted to slice in half the tax cuts for some seven million ordinary Australian families so they could reward themselves with more. They voted against Labor’s fairer tax cuts so they could double their own tax cuts. That left seven million families with just $6 rather than a tax cut of $12 every week that Labor’s plan delivered. We will not forget those 78 names. They think they can hide from their electors what they have done here in Canberra. They think that just because it is only a few months since an election they can get away with anything now and it will be forgotten in 2007. Well, we beg to differ. We do not think this vote should be forgotten or swept under the carpet. It was an important vote. It said a lot about their priorities—giving whopping big tax cuts to just one in 35 Australians at the expense of the rest. We do not think the people in their electorates are going to be too happy about this vote, and between now and the election day in 2007 we will be reminding Australians of the names of the members of this government who voted to enrich themselves and take away half the tax cut that ordinary families were entitled to get.

But before then those opposite might have another chance. We will pursue these amendments in the Senate and if the Senate supports these amendments, they will come back to this House for one last time. Members of this government might have the opportunity to review their decision. Perhaps they would like to consult the voters back in
their electorates, talk to the people who put them here—the ordinary Australian families who rely on those members of parliament to represent their interests, including those families on $40,000 or $50,000 with children and a mortgage, the ones whom the Treasurer has acknowledged would be struggling to make ends meet but whom he wrongly suggests do not pay tax now at all, when in fact they pay a great deal. How about giving them a break, instead of giving a break to yourselves? For around the same cost to the budget as the Liberal Party’s proposed changes to the tax scales and the superannuation surcharge, they can deliver an extra $12 every week for every hardworking Australian family earning $40,000, $50,000 or $60,000 a year instead of the derisory $6 given them by the Liberal Party.

We can reform the tax system, improve its competitiveness, and give twice the reward to seven million Australians. That is what the Labor Party’s tax package did. It did not ignore people at upper income levels, but it kept their tax cuts at reasonable dimensions. Nor did we ignore, as the government did, those who pay huge effective marginal tax rates at the lower end of our system when they try to do a bit of work and find themselves losing both on the tax swing and the social security roundabout.

In the debate on Labor’s fairer tax plan last week, some members of the government threw up a smokescreen. They tried to argue that the Liberal Party’s tax package was fair because it was proportional. Since wealthy people pay more tax, government members say it is only fair that wealthy people get bigger tax cuts in dollar terms. The problem is in what the Liberal Party’s tax proposal does not do. It does not give proportional tax cuts. The dollar tax cut does not just rise in proportion to income or tax paid—it goes through the roof. These tax cuts are wildly disproportional. I have been in this House for 25 years and I have never seen a change to the system as regressive as this—never anything so unfair. It gives disproportionately large tax cuts to people at the top end of the income scale and disproportionately small tax cuts to ordinary, hardworking Australians. And it was planned to do just that. Look at the government’s own budget overview document. Its graph shows how the tax cuts as a proportion of tax paid are heavily skewed towards upper income earners. Australians earning annual incomes of between $130,000 and $150,000 get bigger proportional tax cuts than every single Australian earning $30,000, $40,000, $50,000 or $60,000.

Another way of seeing the same effect is to look at the size of the tax cuts proportional to the incomes of the four broad income levels in Australia. Under the government’s proposed tax cuts, those whose incomes are in the top quarter of income units receive an average weekly tax cut of $26. That is 40 times the proportional tax cut for people in the bottom quarter of income units. A major reason for that difference is that people in the bottom quarter do not pay much tax in the first place. But what is extraordinary is just how much the Liberal Party’s proposal leaves behind middle income earners. The tax cut for the top end is more than twice the proportional tax cut given to lower middle income units, and it is almost twice the proportional tax cut given to upper middle income units. The Treasurer has taken the $24 billion and twisted the tax scales so that he can deliver much greater gains to people on the highest incomes—the people who need it the least.

This is not a proportional tax cut; it is not a fair tax cut. There is no definition of fairness that fits this package. No matter how you dilute the word, you cannot call it fair. Even before these changes it was true that the greatest rewards of Australia’s recent
prosperity have gone to people on the highest incomes. There are many reasons why that is true. Executive salaries have risen much faster than salaries for the rest of us. Wealthy people have benefited from the boom in house prices. They have also gained from a strong share market.

We welcome prosperity and success but we do not welcome changes to the tax system that give the biggest tax breaks to a group in our society that is already doing much better than the rest. It does not make sense. We on this side of the chamber have been accused of envy politics and class warfare. If that is what you call standing up for working families in Australia and defending them when they are under attack then you can call it what you will. But let me make this clear: we did not start it. We did not propose to give $6 to families on normal incomes and $65 every week to the wealthiest three per cent. We did not propose to destroy the award system and no disadvantage test, allowing employers to cut the conditions of low-paid workers. We did not propose scrapping laws that stop employers from firing a worker because she complains about a work safety issue.

We did not start a conflict. It is this Prime Minister who decided that, with the unchecked power in his hands, he could get away with anything. And, as he follows line by line the copybook of right-wing ideology, bit by bit he dismantles the foundations of fairness in this nation. If he wants to declare war on the fair go tradition of Australian society then, yes, Labor is here for this fight. We will fight because we will never accept that Australia should go the way of America and end up with an underclass that gets stuck in poverty and gets ground down by unfair workplace laws, by rogue bosses, by not being able to afford to pay for health care and by not being able to get to a decent school.

You cannot have a fair society if you do not have a fair tax system.

Members of this government still have a choice: they can decide to look after themselves or look after the people who put them here. That is the package Labor stand for—and we will fight for it every inch of the way. Don’t they just love to try and distract attention from this package that we are dealing with. We have seen the Treasurer, day after day, get up in this place and argue a Labor Party parliamentary manoeuvre, when we are fighting for real principles and real gains for ordinary Australians. He cannot take us on on the central issue here—an issue which is yet to be determined by the Senate. He tries to take it on through a vapid parliamentary manoeuvre, when he knows full well that if he did the right thing from his point of view it would never even get to a position where the circumstances he claims could occur would occur. If anything goes wrong with this or if anything concerns the business community, it is his problem and his fault. It is his fault for the way in which he chose his parliamentary manoeuvres. But, more particularly, it is his fault because he turned his back on thousands—indeed, millions—of Australians through the tax cut he gave them.

We are going to go through the members opposite and point out to them the things that they have done for their constituents since they got in here. Think of the new member for Greenway—what a set of achievements! She gets elected; interests rates rise in Greenway. The Medicare safety net gets compromised in Greenway. The people of Greenway are insulted by a tax cut of $6, while she gallops off into the middle distance with $65—thank you very much. The people of Greenway—because most of them will be operatives and most of them in middle-income areas—are going to find, when they work a bit of overtime or do a bit of extra, all their penalty rates gone. They will find their long
service leave gone; they will find redundancy pay gone; they are going to find themselves in a situation where what they aspire to becomes unachievable. It started with this tax package and it will end with what happens in industrial relations. We will resist this and we will point out to them what they can do about it at the next election.

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

Mr CIOBO (Moncrieff) (3.48 pm)—I am pleased to be able to rise to speak to the motion that the member for Brand, the Leader of the Opposition, has put to the House today. I must say how absolutely incredulous I am that the Leader of the Opposition should come into the House today and with this motion attempt to portray—to the 850,000 businesses that will suffer as a consequence of the Australian Labor Party’s positioning on this debate and to those people who will be denied the opportunity to enjoy $22 billion worth of tax cuts—that it is in fact the Treasurer who is causing this problem. The reality is—and the people of Australia know this—that there is only one political party, only one individual in this parliament, responsible for denying Australians the opportunity to enjoy $22 billion worth of tax cuts. That individual is the Leader of the Opposition and that political party is the Australian Labor Party.

The reality is that it is the Australian Labor Party that in 31 days times has the chance, if it chooses to, to deny the Australian people the opportunity to enjoy a tax cut. It is the Australian Labor Party and the Leader of the Opposition who—if they choose to vote against the regulations in the Senate—will deny the Australian people a tax cut. There is only one political party and there is only one man who will bear on his shoulders the responsibility for denying Australians $22 billion worth of tax cuts.

I would like to highlight a couple of other points about this so-called fairer tax package that the Australian Labor Party is calling for. The reality is that it is only the Leader of the Opposition who has, beating in his heart, the need to ensure that Australians get a fairer tax cut, because we on this side of the chamber believe that these tax cuts are fair. The reason they are fair is that the greatest tax cuts go to the low-income earners. The highest percentage of tax cuts flow to the Australian low-income workers. In addition to that, far from playing the politics of envy that the Australian Labor Party plays, we believe in highlighting the clear facts to the Australian people.

But it is not only us—and this is the interesting point. It is not only the Liberal and National parties who are putting this forward; it is also being put forward by every single state Labor premier and state or territory leader who is a member of the Australian Labor Party. Steve Bracks, Peter Beattie, Clare Martin, Geoff Gallop—Labor parliamentarians at a state level, premiers and leaders of territories, have all urged the Australian Labor Party to get behind the Howard government’s tax cuts because they want Australian workers to enjoy those tax cuts, which should flow to them in 31 days time.

Others are also getting behind the government’s position. In an article in the Australian on Wednesday, 25 May, headed ‘Slash top rate, union boss tell Labor’, the Australian Workers Union National Secretary, Bill Shorten—who is touted as a future Labor leader—said:

At some point a government is going to have to bite the bullet and realign the system and move the PAYE tax rate closer to the corporate rate. It’s not a matter of if but when.

He is touted as a future Australian Labor Party leader but he stands with this government on these fair tax cuts, where the largest
percentage of the tax cuts will flow to ordinary Australians, and he can see the clarity of this government’s decision.

In the Leader of the Opposition’s charade today—in his so-called call to arms to ordinary Australians—he only told half the story. The Australian Labor Party does not want ordinary Australians to know that not only have real wages increased under this government, that we have record low inflation, record low interest rates and more people in work than has been the case since 1976 but also the family tax benefit ensures that ordinary Australians are in a better position than they have ever been in before, because these tax cuts supplement family tax benefit payments to ordinary Australians.

The coalition government proposes a combination of tax cuts as well as increases in family tax benefits. In the last budget the Howard government and the Treasurer, Peter Costello, increased the income threshold at which the maximum rate of family tax benefit A is paid to $37,500 from 1 July 2006. This ensures that some 400,000 families will be an extra $12 per week better off from family tax benefit payments in addition to tax cuts, with the largest percentage of those tax cuts flowing to those on relatively low levels of income.

The Australian Labor Party likes to wax lyrical about the unfairness of these tax cuts. I have heard the Leader of the Opposition comment so many times about cuts of $6 a week versus $65 a week. The Australian Labor Party—in particular, the member for Brand—would like to have its cake and eat it too. Approximately two-thirds of revenue that is raised by personal income tax is paid by the top one-quarter of income tax payers in Australia, and the bottom 25 per cent of income tax payers in Australia contribute three per cent of revenue—so, two-thirds of revenue from the top one-quarter and three per cent of revenue from the bottom one-quarter. Quite clearly that tells a very simple story: those people who earn more pay more tax. When the Australian Labor Party comes into this chamber and quite deceptively portrays this government as only looking after the wealthy, that should be exposed for what it is—a base attempt to engage in cheapjack, opportunistic politics. The Australian Labor Party, it would seem, is only in favour of progressive taxation when it is about tax increases. On the issue of tax increases, the Australian Labor Party says: ‘Tax increases should be burdened upon those who earn the most. Tax increases should always be at a progressive rate so that those who earn more money pay more tax.’ However, when it comes to tax cuts, it would seem that the Australian Labor Party believes in a flat tax structure—if someone on a top income of $100,000 gets a $60 a week cut then someone on $30,000 should also get a $60 a week tax cut. Labor wants to have its cake and eat it as well. The ideology of the Labor Party is for progressive tax on tax increases but a flat tax rate for reductions in taxation. The reality is that the Australian Labor Party does not have a taxation policy; it is looking for an opportunity to engage in some cheapjack populism.

As a consequence of the good economic management of the Howard government, on 1 July the average tax rate for the average worker in Australia will decline from 24.1 per cent to 23.9 per cent. When the Leader of the Opposition was the minister for finance, he came into this chamber and crowed about how the Australian Labor Party had reduced the top tax rate from 60 per cent to 47 per cent. Yet now, completely bankrupt of any solid policy on this, the Australian Labor Party is engaging in the politics of envy to try to score a few cheap votes from the Australian people.
What does this mean for the Australian public over the next 30 days? It is very clear. Labor have one simple choice to make. They can deny the Australian people a tax cut by voting against the regulation, without passing it off as someone else’s responsibility—it will be the Australian Labor Party’s decision to deny the Australian people $22 billion worth of tax cuts, to play the politics of envy to try to score some additional votes, and thereby increase compliance costs for 850,000 businesses by forcing them to comply with two tax scales. Or they can do the right thing: vote in favour of these tax cuts, do not disallow the regulation and let every ordinary Australian enjoy a hard-earned tax cut that this government is providing for them.

Mr SWAN (Lilley) (3.59 pm)—Last Wednesday evening there were 78 people in this House doing cartwheels and handstands, punching the air and celebrating the fact that they were giving themselves a tax cut 10 times more than they were giving to their constituents—10 times the tax cuts of the average Australian. This budget has been about one thing and one thing only: Peter Costello’s short-term political interest, not the long-term interests of the Australian family and not the long-term interests of the seven million workers who have worked hard to make this economy strong, the ones who have been dudged in this budget. This budget has been about one thing and one thing alone: handing the benefits of today’s prosperity to a very few high-income earners and neglecting the very serious reform that would grow our economy into the future. It makes me sick listening to the member for Moncrieff talking about rewarding hard work. Where is the reward for hard work in this package for the seven million workers out there who work hard to bring up their kids on modest incomes? They have been left out of it altogether. That is why the members opposite ought to be very embarrassed about their debate in the House and their contributions here last Wednesday. They will indeed be severely embarrassed when all of their constituents find out how the great bulk of people in their electorates, who have worked hard, are being dudged by this package.

This is about the short-term politics of the leadership of the Liberal Party. Peter Costello is appealing to his backbench. He is not appealing to the people. The Prime Minister let the cat out of bag when he talked about this on Meet the Press two weeks ago. He was asked, ‘Why are you just giving tax cuts to such a narrow range of people?’ He said, ‘Now is the only time we can get away with it.’ That was the only thing that the Prime Minister could say. He could not say that they were putting in place tax reform to give incentive to those who are moving from welfare to work, or tax reform for those people who are caught in the 30c tax rate when they hit $21,600. He could not say any of those things. There is no reform in this package. There is no reform when it comes to incentive in the tax system. There is no incentive to work harder for those people on modest incomes under $65,000 a year who are struggling to pay the higher petrol prices and the increases in private health insurance and who have been dudged by the government when it comes to the safety net. There is nothing in here for those people who are facing a whole host of price increases which are putting them under such tremendous pressure when it comes to their cost of living. What would Peter Costello know about financial pressure?

The DEPUTY SPEAKER (Mr McMullan)—Order! I say to the member for Lilley that that is the third time he has referred to the Treasurer other than by the appropriate title in accordance with the standing orders. I ask him to conform to the standing orders.
Mr SWAN—Thank you, Mr Deputy Speaker. What would Peter Costello really know about financial pressure? He is giving middle-income families only $6 while the cost of food, fuel and health care just keeps rising. We have a Treasurer who is completely out of touch with the average Australian family. That is what all of those members in this House have exposed through their vote in the House. The member for Moncrieff, for example, was talking about the family payment increases. Some of them are very welcome. They are very welcome to all those people who have had been hit with the increasing cost of living. What about the taxpayers who have never had a family payment increase and have not had a tax cut? What are you going to say to them in your electorate, member for Moncrieff? You have left them out of any form of tax relief let alone tax reform. What have you got to say about all those low-income workers in the tourism industry and the hospitality industry who have been absolutely dunned successively by you—dunned by the GST, dunned by bracket creep and left out of the whole system altogether? We will be talking to them—don’t worry about that—and they will have a lot to hear from Labor.

Mr Brough interjecting—

Mr SWAN—It is the same in the electorate of Longman: there are tens of thousands of low-income workers and families up there who have been dunned by this Assistant Treasurer. One Liberal on budget night let the cat out on the bag. He let the strategy out of the bag because he described this as a ‘Sheriff of Nottingham’ budget. It is the only one they could get away with this far back from the next election. That is what makes Peter Costello’s claim to membership of the working class so absolutely laughable. He is no working class man; there is no blue denim in his veins whatsoever. There he was a few weeks ago on Brisbane radio saying that someone on $40,000 to $50,000 would be really struggling and finding it hard to make ends meet. But he was not prepared to do anything about it. The best that he could do was to give them a tax cut of $6 a week. So that is why we are going to fight this all the way. What we have here is a typical Liberal budget. (Time expired)

The DEPUTY SPEAKER—Before I call the member for Goldstein can I say to the member for Lilley that twice after I drew it to his attention he again referred to the Treasurer by his name instead of his title. I ask him to conform to the standing orders in future.

Mr ROBB (Goldstein) (4.04 pm)—Last week we had the spectacle of 25 Labor members rising to debate the personal income tax reduction bill. They rose to oppose tax cuts for all working Australians. You could see from their faces that they were not there out of a sense of conviction. They all had long faces. They all read the same speech, over and over. They all had that look of: ‘What the heck am I doing here, opposing a tax cut for all Australians?’ They took up hours of parliament’s time purely out of a sense of duty to their leader and the small coterie around him who made a very foolish decision to block the tax cuts. They spoke knowing full well that their leader’s decision to block the tax cuts had nothing to do with any unfairness of the proposals but, rather, some misguided strategy to project toughness—a sorry attempt to show that the member for Brand has returned a new man with a tough edge.

It has not made him look tough. It has made him look mean and self-serving and a little touch desperate. As a result, none of the Labor speakers last week had their heart in it. None of them rose to the occasion. Again today we saw this in the House—32 opposition members came in to sit behind their
leader, the member for Brand, to give him support. What did we see? Long faces, deathly silence, shifting in their seats, unconvinced by the pathetic arguments mounted by the member for Brand and the member for Lilley. All the 25 speakers of last week and the two who have repeated the same speeches today failed to make the case for unfairness. All of them have only served to remind Australians by their words and their demeanour in the House last week and this week that all their actions in the end amount to the temporary blocking of major tax cuts—$21 billion worth—to all working Australians and a major disruption to 850,000 businesses. How fair is that? They have made no effective case against the tax cuts on fairness or any other grounds—and no wonder, when you look at the facts.

Prior to the new tax system of 1 July 2000 only 30 per cent of taxpayers faced a top marginal rate of 30 per cent or less—that is, out of just over 10 million taxpayers in Australia before 2000, only three million of them paid a top marginal tax rate of 30 per cent or less. That is what we inherited from the Labor Party. But for the last five years 80 per cent of taxpayers have faced a top marginal rate of 30 per cent or less. In other words, close to nine million working Australians, not three million as under Labor, now face a marginal tax rate of 30 per cent or less. Also, with the tax cuts announced in the budget, 1.8 million Australians who are on a 17 per cent marginal tax rate will see a further two per cent cut in their marginal tax rate. What is more, a person earning $10,000 has had about a 50 per cent reduction in income tax since the introduction of the new tax system in 2000 and all following budgets.

The DEPUTY SPEAKER (Mr McMillan)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next day of sitting and the member for Goldstein will have leave to continue speaking when the debate is resumed.

GRIEVANCE DEBATE
Question proposed:
That grievances be noted.

Older Workers
Mr GAVAN O’CONNOR (Corio) (4.08 pm)—I wish to raise in this grievance debate the plight of the mature age unemployed in my electorate of Corio. It is a problem that no doubt many members in this House have had brought to their attention over many years by many of their constituents. In my own instance a steady stream of mature age unemployed have come to me as their local federal member over many years seeking assistance and advice in actually finding a job or sorting out problems they have encountered with the Job Network or Centrelink in the course of pursuing employment. In many cases, I have listened and been a sounding board for their personal problems and heard about the impacts of their situation on their families. I have listened also to the way in which employers often turn a deaf ear to these wonderful labour resources in our midst. One cannot help but be touched by their personal stories and the deep frustrations they feel at an economic system and society that, in their eyes, has discarded them, thrown them on the employment scrapheap and caused them despair and disappointment.

The number of cases coming to my office intensified throughout 2004. In response to that problem, I made a decision to embark on a community awareness campaign on this issue and to assist individuals where I personally could. I held two forums earlier this year. One was on 1 February 2005, when I invited community representatives to come and listen to the stories of the mature age unemployed and to hear first-hand about
their situation and the impacts on their lives and their families. The second forum I held was on 14 April 2005. I invited representatives from job agencies, the unions, local employers, churches, service clubs and the general community to come and brainstorm to develop a program to raise community awareness of this problem and to develop some key strategies for action to address the concerns of those mature age unemployed. Both those forums were very successful and I am indebted to Rob Gardiner and his staff at the CREATE organisation for their generosity in making the facilities available to hold those forums.

The mature age unemployed told us vividly about the impacts of their situation both on themselves and on their families. They spoke about the terrible loss of self-esteem, the deep loss of self worth, and how that affected their personal relationships with their partners and their children. They told us about the enormous frustration that they feel at having a wide range of skills and experience but not the capacity to use them to contribute constructively to an enterprise and to their communities through work. They spoke of the process of slow withdrawal from their communities and then from their families. These are all legacies of their condition of mature age unemployment.

In raising their plight I do not wish to put them ahead of the young unemployed in our community but merely wish to use this debate to alert this forum and the community to the problems that these individuals and their families are encountering now. And I want to make a special plea to employers to look very hard—to look again—at their policies of redundancy so that they do not lose mature age workers unnecessarily. This is a plea to employers to perhaps think seriously about rehiring the mature age unemployed in the Geelong region to assist those people not only in making a meaningful contribution to their enterprises but also in making a contribution to the Geelong community and Australian society.

It is a fact that a large number of people are set to retire from Australia’s work force over the next few decades. A possible solution to the labour force issues that we are currently facing is to retain our mature age workers—those in the 45- to 64-year-old bracket. Many occupations require high skill levels and those mature age workers generally have skills, experience and maturity gained through many years in the work force. These are skills and experience that they can bring to a successful enterprise. For those who are willing and able to continue working, their contribution to the paid work force provides attachment to the community and a sense of self worth. Over the course of the forums, the enormous volunteer effort that mature age workers put into their communities became abundantly clear. They do so not only from a point of view of self-interest but from a genuine desire to lend their skills and experience to their wider community. Much to their disappointment, unfortunately they often find that in providing their services in a volunteer capacity their generosity is abused by many organisations in the community.

Another positive economic impact of increasing mature age employment is that it prolongs the time spent in the paid work force for those people. This has the potential to improve retirement income by increasing the time that those people have to build up superannuation. Because life expectancy has increased, many mature age workers need to plan for a retirement of 20 to 30 years. They might have more financial pressures than in the past. That is, they may be supporting dependent children due to a trend in our society at the moment to have children later on in life or, with the divorce rate on the rise, they may be living independently.
My plea today is to the community and to employers to recognise what these mature age workers bring to enterprises and to the community. Their presence in the work force can bring enormous gains to an enterprise. They usually have a corporate memory that can contribute significantly to the overall efficiency of the enterprise. Many mature age workers bring their maturity and a sense of stability to the workplace, improving the capacity of the enterprise to generate business in a very competitive marketplace. I think these are all advantages to enterprises that I would hope employers in the Geelong region would consider when structuring their employment practices. One very innovative suggestion that came out of the forums that I held was that employers could perhaps set targets for medium to large enterprises in Geelong for the balance of mature age workers to other workers that are employed in those enterprises as well as in big public sector employment areas like education, health and local government. This is a very sensible proposal and one which we are fleshing out.

Those forums also identified institutional problems that we as a community really need to address. The first that comes to mind is the problem that mature age workers face in the Job Network. Many stories were recounted of mature age workers going to agencies in the Job Network and coming up against very young, inexperienced workers in the Job Network hired to give them advice on how to obtain a job. Another problem was the lack of sympathy that mature age workers received from Centrelink. Once again, there was the issue of having very young people dealing with the complex problems associated with older workers. I am not suggesting that young people in either the Job Network or Centrelink do not do their jobs, but it might be that our local agencies could look to appoint people with a mature age outlook to positions that deal directly with mature age workers. (Time expired)

Bundaberg Base Hospital

Mr NEVILLE (Hinkler) (4.18 pm)—As a former member of the Bundaberg Base Hospital board, I am appalled at the current crisis which is engulfing the hospital. I might add that I have not been a member of that board since 1989-90. Every day, the Morris inquiry into the deaths at Bundaberg Base Hospital is revealing details of scandalous administrative practices and cover-ups in that hospital. Sadly, it is the vulnerable patients and dedicated medical and nursing staff who have borne the brunt of this neglect and obfuscation rather than those who were charged with the patients’ welfare. It is now up to the Morris royal commission to find the truth of the situation and to provide some measure of comfort to those who have been traumatised by the callous and cavalier attitude of a handful of individuals. I believe one of the driving forces behind the situation is the overly bureaucratic culture which has been allowed to flourish in Queensland Health. Bureaucracy, if left unchecked, is self-perpetuating, self-interested and ultimately self-destructive.

The mud-slinging began in earnest on 22 March, when the National Party member for Burnett, Rob Messenger, raised the issue of surgical ineptitude and incompetence at the Bundaberg Base Hospital. He raised it in Queensland parliament. He washowled down by the AMAQ, the Beattie government, the local health council and some sections of the media. The day after he raised the concerns of the nursing staff at the base hospital in parliament, the AMAQ put out a press release slamming his actions which said in part that the Queensland opposition had acted in an ‘irresponsible and unjust manner’ by airing its concerns. The AMAQ president, Dr Molloy, went on to say:
The media furore surrounding the Patel case has forced him to resign from his position, leaving the Bundaberg Hospital without a surgeon.

Dr Molloy also praised Dr Patel by saying he had spent many years training and practising in the US and had not had the opportunity to respond to Mr Messenger’s allegations. Nor, might I add, had Dr Molloy checked with Mr Messenger on Mr Messenger’s statement or on what was actually said by the nursing staff about this medical ineptitude.

I am quite emotional about this issue because of its effect on the whole community of Bundaberg. But it was not Rob Messenger’s doing that this thing happened; it was the attitude that prevailed there—a long history of obfuscation and of politicisation of hospital access. Members of the opposition, for example, were at various times excluded from being able to visit the hospital. There were complaints—and I might add ‘unheard complaints’—from the nursing staff and the victims. Where would you expect Rob Messenger to go? Isn’t that the very instance in which a member of parliament would use parliamentary privilege, or should he have shut up, gone through the regular channels and let Dr Patel carry out more operations?

We know at this stage that 87 operations resulted in death or some major negative outcome. A figure of 87 is almost unheard of in Australia, yet the member of parliament who exposed it was being labelled by his state colleagues and by the AMA. It was a shocking business. Mr Messenger is the one who has every right to be outraged now. As late as 8 April, Queensland Health Minister Gordon Nuttall, in trying to duckshove the issue by blaming Mr Messenger in the media, said:

Can we put an official report out relating to the allegations? The answer is no. There’s no point in it continuing. There cannot be a report based on the lack of natural justice—

He means the justice that Patel received. In the article, the health minister also blamed Mr Messenger for Dr Patel’s resignation and for the report being disbanded prematurely. The state member for Bundaberg blamed Mr Messenger for Dr Patel fleeing the country. She said as much when, on 9 April in the Bundaberg News Mail, she wrote:

... as a direct result of the Member for Burnett’s prolonged and vicious attacks, this surgeon has left our hospital.

‘Praise be to the Lord,’ I say. What utter cant and hypocrisy from both members of parliament. Patel did flee the country, but not because of anything Mr Messenger did—other than to expose Dr Patel. Dr Patel flew out on a $3,500 business class, one-way flight, paid for by the Queensland government, no less. They were complicit in his leaving Australia. They aided and abetted this man. What cant and hypocrisy. The government tried to blacken a member of parliament’s name when they were party to this situation. It is almost unbelievable.

The Bundaberg District Health Council also let down the local community badly, if the report in the media is correct. Chairman Viv Chase sent a letter of support to Dr Patel four days after he fled the country, saying in part:

... on behalf of the District Health Council to offer our support and to advise that we are deeply saddened and appalled by the disclosure in parliament which has subsequently led to your decision to leave Bundaberg.

Sadly, this statement is a reflection of the response of those who were instrumental in the hiring and in the oversight of Dr Patel. I ask: did Mr Chase write this letter voluntarily? Did he do it under pressure? Did he compose it or did someone compose it for him? Did his fellow members of the health council endorse it? I suspect not.
I also find this abandoned, so-called report into Bundaberg Base Hospital interesting because, according to the AMAQ, the Queensland Medical Board was looking at the ‘scope of surgery being completed in a country centre’—not Dr Patel’s surgical track record. If that was the case, the report might never have uncovered Dr Patel’s modus operandi and he might still be operating today—with in excess of 87 negative outcomes.

One of the other incidents that staggered me about this matter was the action of my colleague and state Labor member for Bundaberg, Nita Cunningham, at the first major public meeting of the victims and their families. She had publicly criticised the member for Burnett for raising the matter in parliament. She ostensibly blamed him, along with the health minister, for losing Dr Patel. Instead of listening to the victims of Dr Patel, she used the meeting to laud the virtues of an internal inquiry. She also made the extraordinary claim that this situation was the fault of the federal government for not having trained enough Australian doctors. At this point, the meeting erupted with disbelief, and many called on her to leave the microphone. It is the only time that I have been at a public meeting when a member of parliament has been publicly booed.

This quagmire of cover-ups, intimidation and ineptitude did not just happen overnight. It grew from an overly bureaucratic and top-heavy system of administration. I find it incongruous that just a matter of days before the member for Burnett blew the whistle, the AMAQ president said:

\[\text{The problem (with Queensland’s health system) is that the Government doesn’t seem concerned and has continued to patch the holes with administrators with clipboards, leaving massive gaps in patient care.}\]

Queensland Health’s own annual report backs up this statement, showing a 75 per cent increase in the number of administrators employed in the health sector in the past five years. Just note that: 75 per cent more administrators when our hospitals were screaming out for doctors and nursing staff. I hope the royal commission can do its job.

My call tonight is for a return in Queensland to the system of hospital boards—not just picked by the government and not just advisory boards. They should be proper statutory boards with the power to hire and fire, as they did in the old days. (Time expired).

**Anzac Day**

Mr QUICK (Franklin) (4.28 pm)—During last Monday’s grievance debate, the honourable member for Corangamite spoke of his impressions of the 90th anniversary of the first Anzac Day. Today, as the other member of this House chosen to represent the federal parliament at the anniversary, I would like to place on the public record my thoughts on that day. Firstly, I would like to express my appreciation to the government and the Prime Minister for allowing the federal member for Corangamite and me to make the trip and to represent the House on this very historic occasion. Gallipoli, as members know, has a special place in my heart. My dad served there from 26 May 1915 until the last boat, the *Prince Abbas*, left at 4 am on 20 December 1915.

What was it like for a young 18-year-old? Dad wrote in his diary:

In Lemnos Harbour at dawn on the 26th of May 1915 a small destroyer the HMAS “Harpy” drew alongside the “Duffingler” and about fifty men including myself of the 4th reinforcements of the 7th battalion were transferred to this little ship.

We all had full equipment, 2 blankets, a rubber ground sheet, a change of underclothes, an overcoat, 24 hours rations of hard biscuits, 2 12oz tins of bully beef and a bottle of water. Added to that a
rifle and bayonet and 220 rounds of .303 ammunition.

I had managed to keep a 6lb tin of jam which I carried under my arm. We were told there was a food shortage where we were going so everyone was trying to carry something extra to eat.

After 2 hours of steaming we were told by the sailors to look ahead on the starboard side and there rising out of the sea could be seen a long low range of hills.

They looked fascinating in the sunlight, but we were told that there lay tragedy, pain and death and it was there that we had to land.

In an hour the ship stood about 1 and a half miles out to sea, but one could see the smoke of bursting shells and hear the firing of guns and movement on the beach could now be seen.

This was Anzac cove where we were to live and some die and remain for ever on this land.

We were subjected to heavy shelling, but the sailors stuck to their task of rowing. Were we ever going to reach the shore was the thought in everybody’s mind. Once a shell burst very close to the boat and stopped the men in their rowing and as they started again one man lagged on his oar, but when ordered by the officer to put his weight on it, continued without a word.

It was only when the boat reached the beach a few minutes later that we knew he had been mortally wounded and in doing his duty never complained, but gave his life.

We all hurried out of the boat and waded through the water to the cover of the stores stacked on the beach and with the soldiers of the other boat who had landed, about 16 of us lined up wet and dirty and scared but glad to have our feet on firm ground.

The battalion and our living quarters was on Browns Hill about 100 yards from the front line trenches. Our first tea was just ready when a shell burst among us killing one who had just landed and wounding many others.

As I looked at death, so sudden, so terrible I turned away wondering who would be the next and the evening meal was not enjoyed that night.

Dad goes on to tell of life at Anzac Cove and the surrounding hills and of the death, the destruction, the sickness, the appalling conditions experienced by those serving there and the incompetence of the British generals in charge. Later in his diary, which I have with me and which is one of my treasures, Dad recounts the latter stages of the campaign:

On the 26th of November a blinding blizzard struck the peninsula. This was the start of winter and we dreaded what would be the end. It was during a break of fine weather that a very mysterious change took place.

My mate and I were included in the small party from the battalion to be a rearguard to hold our part of the trenches. We were allotted a firing bay in the front line about 300 yards from the enemy lines.

There was a time of firing of rifles, then came the time of silence. Silence watching and waiting, whispered words.

Then a quiet call from behind us, a familiar voice, the sergeant calling us by our special numbers given us for this purpose.

Stepping down into the tunneled trench, moving along in the darkness lit only by the night light from the opening of the firing bays.

As we passed, a hurried look in by the sergeant but no call and on and on, then a call and an answer. Two men joined us and again we moved on, repeating this once again until we turned into the open—the start of the way to the beach.

Just a few men holding 600 to 800 yards of front line.

The silence of the night or now early morning, as it was nearly 4am on the 20th of December was broken by the sound of the waves on the beach.

Each man gave his name and number and moved closer to that steel barge which seemed so comforting in this hour.

The two or three officers with their watches and notebooks stood talking in low tones for ten minutes or so, then with a final look around came and joined us in the last barge to leave.

As he left Ballarat, Dad was given a New Testament by one of the ladies there. I have it
with me. It is rather bedraggled and torn, but it has survived 90 years. The lady who gave it to him wrote on it in ink:

To Vernon Quick from Mrs W Eckersley, Wendouree Parade Ballarat. May God bless you and bring you home safe and triumphant!

And it worked.

It was a real privilege to accompany the honourable member for Corangamite to Gallipoli for my second trip. I thank the parliament. I think I am the only serving federal member whose father actually served at Gallipoli. I know that the father of the honourable member for Corangamite served at Ypres on the Western Front and lost his leg and that the Prime Minister’s father served on the Western Front and was gassed.

Walking around the whole battlefield, taking Dad’s diary with me along with a photo of him in his gear as an 18-year-old, seeing some of the trenches that he stood in, seeing some of the tunnels that he dug with his hands and his shovels as a sapper, and seeing the countless gravestones of many of his mates from the 7th Battalion, some of whom only lasted a few days and some of whom lasted to the end of the eight-month campaign, was very moving. To see thousands of young Australians, most of them with Australian flags on their backs, committing themselves to something special was very moving.

While I was there I came across something written in the fifth century by a Greek, someone who does not have a name. He wrote all those centuries ago:

These by the Dardanelles laid down their shining youth
In battle and won fair renown for their native land,
So that their enemy groaned carrying war’s harvest from the field
But for themselves they founded a deathless monument of valour.

How apt was that. I think the Anzac Day commemoration has lost its simplicity, innocence and purity. It is too big. We need to go back to the original Anzac Cove and strip the service of the hype and commerciality. It is almost like the Olympic Games: it has lost its simplicity and innocence. Finally, I thank the Australian Embassy in Turkey, especially its Mrs Ingrid Ashu, for its support during the time that the honourable member for Corangamite and I spent at Gallipoli and Anzac Cove. It was a memorable experience and I hope God gives me the strength to go back for the 100th.

**National Water Initiative**

**Drought**

Mr WAKELIN (Grey) (4.38 pm)—It is one of the great privileges to be in this place and listen to speeches like the one we have just heard from the member for Franklin. His speech evokes in me not quite the same closeness as he had with his father but certainly I had relatives at Gallipoli and I am sure many of us feel the same. I will share the fact that three of our four children have been to Gallipoli but their mother and father have not. But I have been to Villers-Bretonneux, and it was inspiring and quite remarkable. So I thank the member for Franklin.

In the grievance debate today I wish to cover four issues which are pretty repetitive in my part of the world. The first one is water but it is not actually to do with drought. My communities are looking forward to accessing the National Water Initiative, that great program of $2 billion to be spent over four years which was announced quite recently. I have in mind a number of projects that will certainly benefit from this federal initiative. One thing to remember in all of this—and it is a genuine grievance of mine—is that we should never forget that the states have prime responsibility. For example,
when we had the GST debate, the idea was that we would not get into much of a dispute with the states within our federation, but of course we know that is not what has come to pass. I would remind the House that, whilst we have a significant amount of cash on the table for the National Water Initiative, it is still the prime responsibility of the states, and I would hope that in negotiations the states will continue to meet their responsibility and have an open mind on and give transparency to a system which does need great reform.

Many who know me understand that I have a great feeling of injustice about rural education. We know that the rural outcomes as to those who go on to higher education are nowhere near the urban outcomes. We know that there are a number of reasons for that, and I do not intend to canvass them all today because I have done that many times before. The thing that I emphasise today in my grievance debate comments is that if we do not offer our people, particularly our young people in rural and regional Australia, maximum opportunity and incentive we as a nation will be the poorer. Whatever the reason—whether it is financial, sheer distance, the demands on separated families—we will be the poorer as a nation if we do not give the maximum opportunity to our younger people to have the best education possible. At a time when we are short of a lot of skills and we know we have huge challenges ahead in meeting labour market demands, it amazes me that government does not have a more comprehensive program to encourage our young people by giving them the right incentives to strengthen their educational outcomes. Once again, there is the same principle of federation. There are some things the Commonwealth can do and should do, but it is the prime responsibility of the states. I am totally convinced that, if we make the right investment, offer the right incentives and offer the right financial approach, this country will be that much better off.

I will now move to infrastructure, a great discussion point at the moment. We know the Prime Minister’s task force is within a very short period of making certain announcements as to a general overview. I have an infrastructure project within my electorate, as I am sure every member does. Being mindful of the Deputy Prime Minister’s answer to a question in question time today, I remind the House that Australia’s very important export income needs proper infrastructure. Port Lincoln is one of Australia’s great ports, if not our best port in terms of depth, having the general loading infrastructure for 100,000 tonne-plus panamax vessels and exporting our large grain harvest. The topping up which can come from Geelong, Warrnambool, Port Adelaide and Port Giles is vital to the total sale of our export grain crop. The need to transfer the grain from the Eyre Peninsula to Port Lincoln is vital not only to the region but to the national export approach. I believe it is important that the state look at everything it can do—going back to the principle of federation again—but the federal government, as the Deputy Prime Minister reminded us at question time, has a role to play as well. The upgrade of the rail service and general infrastructure of Port Lincoln is a vital part of our export effort not just for South Australia but for the national export industry as well.

The last topic I want to speak on today is drought. People who know me know I believe the lack of rain is as common as the occurrence of rain. Drought is a very common occurrence and part of our national life. Anyone who knows me understands that, as a farmer who has seen many a drought, I believe that simply throwing money at the issue is not the answer. One of the great programs that Malcolm Fraser introduced in the mid-seventies was the Income Equalisation
Deposit Scheme. It has had many lives with successive governments. Former Labor finance minister Peter Walsh had a particular concern about it, and it pretty much had the guts ripped out of it in the Labor years. But I think subsequent Labor ministers then reinstated it almost to its full status, and it was developed again under the Howard-Costello-Anderson coalition government.

I noted that a weekend paper talked about farm management deposits as a tax rort. It is very hard to explain to the overwhelming majority of Australians who have come up—and good luck to them—in the culture of a CPI-enterprise-salary economy why, when it does not rain, when prices are bad and the international market is subsidised, you do not give farming away. They say, ‘You’d have to be mad to be doing it.’ But for 80 years I and successive generations of my family have been trying to do it, and we have done it relatively successfully and profitably. So it can be done. All I can say about farm management deposits is that they give equity in taxation treatment in a way which did not occur before—that is, previously in high-income years you paid the top marginal tax rate, and in the drought years, because you had a loss, you paid no tax at all, which meant that, on average, you effectively paid a higher tax rate than the average Australian. So farm management deposits, like the future fund, are vital for Australia’s future and the viability of our agricultural industry.

Political Commentary

Mr SAWFORD (Port Adelaide) (4.48 pm)—My grievance is simply this. I deplore the almost total absence of analysis in contemporary Australian politics and the all too often inadvertent or deliberate manipulation and corruption of information by some in the Canberra press gallery. What a grubby, gutless, gormless government this coalition has turned out to be, and what a dive has been taken by so many political journalists, deteriorating commentary to a parlous and ignorant state on a daily basis. For overwhelming evidence of that, one need look no further than the 2004 federal election and the 2005 federal budget.

Good governments champion ideas that release the necessary creative energy to devise appropriate and coherent strategies and processes to attain the very best outcomes for all citizens in both the short and long term. Good journalists analyse, synthesise, interpret, translate and explain those ideas, processes and outcomes. Far too much political commentary in this country has been reduced to nothing more than a weak, pale laxative of synthesised self-indulgent comment, spearthrowing for selective power bases and individuals who are adept at manipulation and resistant to representation.

At the last federal election the Howard government was in a position of supreme ascendancy and in a totally no-risk situation, with falling interest rates, lower inflation and unemployment trending lower. No opposition in Australia has ever won an election in those circumstances. The coalition had the opportunity to raise the political bar to the highest common factor, championing ideas of building international competitiveness, building infrastructure and building the technical, professional and social capital of the nation. But the government wimped out on all three of those possibilities. Immediately after the election it went into lowest common denominator mode, embarking on a spendathon that put at risk rates, inflation and unemployment. Any thought of Australia being in the long term a world-class society and economy was simply shelved.

The federal budget simply repeated the pattern. As I said earlier, good governments champion ideas. Tax cuts are not ideas; they are an outcome. The distribution of tax cuts
is not an idea; it is a process. And the government could not even get the fairness aspect right. Addressing the fundamental questions about personal income tax did not see the light of day. Even the government’s own propaganda, which likes to use the term ‘internationally competitive’, was just that—propaganda. Moving Australia into a world-class internationally competitive economy should have been the idea driving taxation reform. But what did the government do? It simply mucked around yet again with the thresholds. At the moment, the only taxation statistic that really matters is the percentage of GDP which is personal income tax, how it changed in the federal budget and how it will change in the next 12 months. It is 23.1 per cent. What will it be in 12 months time? You guessed it: 23.1 per cent. Nothing will change. So, in spite of all the huff and the puff, the voluminous words, the processes and responses, nothing has changed or will change. It is like having faith in Count Dracula giving you a blood transfusion.

The media has rarely brought this government to account. However, change is occurring. As a nation we are less prepared for the inevitable future bust of this economy with raised interest rates, increased inflation and higher levels of unemployment. Future economic pain is guaranteed. There are some on the government side—some on our side, too—who support the reduction of the top rate of personal income tax to, say, 40 per cent as in New Zealand—that is not quite right; it is 39 per cent in New Zealand—and the United Kingdom. They argue that with that reduced rate greater taxation yields will be gained to redistribute to the poorer and needier.

At least that would be consistent with addressing the need to make wages and salaries for the highly skilled internationally competitive. Personally, to guarantee those projected higher yields, I would add some conditions. One condition would be to introduce a minimum rate of taxation for those on incomes over $100,000. Another would be a more dinkum effort to tackle taxation avoidance by the very rich. Another would totally remove those on low to lower-middle incomes from the personal taxation system all together. There are still too many bewildering disincentives that sap both the energy and the enterprise of both the economy and those people who receive low remuneration.

Could it work? Of course it could. The reason is that the idea driving the reforms—‘a world-class, internationally competitive economy’—is the right idea to determine a fair personal income taxation system. Taxation can be advanced in a spirit of compassion and fairness. It does not have to be about aggression and partisanship towards some but not others.

Earlier I took a swipe at the all too often dribble put forward as political commentary in this country or more particularly in this town. During the federal election and after the federal budget much of the commentary was about outcomes only. There was nothing evident about ideas and only rare mention of processes. Whatever happens during media bus rides in election campaigns or budget lock-ups has obviously nothing to do with raising the insights of those involved.

But it is not just the media. We all have to admit that there is a growing large number of Australians who are now fervently tired of political parties with their propensity to spin, refusal to offend, bland presentations and relentless concentration on focus groups and their downright refusal to champion ideas. It is also true that much of the political debate in this country is breathtakingly stultifying in its nature and delivery. Political parties are now more and more controlled, constrained and conforming. As that fact becomes more and more evident, more and more people
refuse to join. Branch stacking increases the numbers; it also reduces active participation, as more and more federal and state elections are beginning to show.

There is a dilemma in contemporary politics and its commentary. An ever-decreasing number of powerful politicians spend an enormous amount of time with a few prominent senior journalists spinning with all their might to an audience oblivious of analysis yet ripe for political seduction. Too many journalists by their writings appear lazy, disengaged, baffled and out of touch, waiting in anticipation for executioners to ease their intellectual ineptitude and give them something easy yet colourful to write about. And there are plenty of lazy politicians to help them.

There are numerous examples and manifestations of contemporary politics that the media should and could be addressing. One would be the massive change from representative to manipulative democracy that has taken place in both major political parties during the last 10 years. Another would be the grab for power in both major political parties by narrow, vested and perhaps corrupted interests assisted by some members of the press gallery. And what about the dumbing down of Australian education over the last 25 years? Then, 25 years ago, 100,000 tertiary students in this country had exposure to pure mathematics and logic. Today, it is less than 16,000. No wonder analysis, scientific method, mathematics, philosophy and logic are so absent from all sectors of Australian life.

And what about the corruption of government processes in the last nine years, the demoralisation of the Public Service and the real reasons why that is the case? And the wasted money? And the battle for political history and control of the narrative? It is the only example to which the media has responded but then only recently and not with any insightful enthusiasm or argument. Is the media scared to take on the harder challenges, to resist the lure of spin and the political seduction processes?

The last few years of coalition government have seen a litany of wasted opportunities. Its election campaign was down-market. Its budget took on second and third order issues. It has the beginnings of a corpse waiting for a coffin. There is a challenge for our side of politics to champion ideas, reconnect with real people and talk the talk of ideas, processes and outcomes in a language the electorate understands. Yet the electorate in 2004 strongly supported the Howard government, but they did so with a quiet sullenness. That may not be the case in 2007.

We could learn about politics from the sporting arenas of the world. Take a Spanish bull ring: young, brash, full of themselves matadors get into the ring with the bull far too early and get themselves killed or badly wounded. Smart matadors wait for the banderillos to wound the bull again and again until its shoulders are soaked in blood. Media coverage of politics can be as banal as a football selection show. Who is in? Who is out? Who is facing failure? Who is facing promotion? But what the political journalists fail to understand is that, unlike sport, no-one has heard of the players. That some journalists write about people they have never met or exchanged an idea with is, in itself, a reflection of the misplaced importance on their writings and their overall stupidity and lack of analysis. In conclusion, I repeat my grievance—the lack of analysis in contemporary Australian politics. (Time expired)

Carers

Mrs VALE (Hughes) (4.59 pm)—I want to use this opportunity today to raise a matter that is of great importance to a number of my
constituents, and this is the urgent unmet need for appropriate disability services, including respite care and accommodation for those in our communities who have a family member with special needs. The issue of support for families with disabled children and adults has been brought up many times and in a number of different forms before this House, but it is still of great concern to me and to many of my constituents that not nearly enough is being done. The long indifference of the New South Wales state government is causing great distress to the carers in my electorate, the vast majority of whom are exhausted women, many of whom are doing this as a labour of love, alone and unassisted.

I have recently received a number of distressing requests for assistance from several of my constituents who, after receiving little or no support from the New South Wales state government on this issue, have indeed felt alone and abandoned. However, I do not want to stand here and trash the New South Wales state government in the 10 minutes available to me, because I believe that more can and should be done at a national level to support and alleviate the distress of carers of disabled people. They deserve more than our mute respect and regard. They deserve action and positive commitment from both governments if their situation is to be relieved and supported.

I want to bring to the attention of this House the plight of one such carer—a mother in my electorate—that touched me deeply as well as many others in my local area. Her distress motivated me to speak on this issue in the grievance debate today. Susan Filacouridis is a loving mother of an intellectually disabled 18-year-old teenager. She was forced to abandon her son to ensure that he was able to receive the care and accommodation that he so desperately needed. After years of unsuccessful trials of different medications and behaviour modification plans, the breakdown of her marriage and living in social isolation, Ms Filacouridis believed that she had no other choice. Ms Filacouridis has endured tremendous hardship over the last 18 years. Last month, literally bending at the knees, she reached the end of her endurance. When police removed her son from his workplace for disruptive behaviour, Ms Filacouridis refused to pick up her son from the police station. Even when they threatened to put him in a detention centre, she was unable to collect him because alone she could no longer provide the services and appropriate care that he desperately needed.

In April this year, Ms Filacouridis sat in the visitors gallery in the New South Wales state parliament when the opposition leader, John Brogden, asked the Premier, Bob Carr, to respond to her plight. What did the Premier do? He simply accused the opposition of hypocrisy. Ms Filacouridis later said that Mr Carr had failed to answer the question and had trivialised her situation. She subsequently wrote to the Premier, claiming he had:

... belittled the most horrendous decision of my life. My son does not have a voice because of his disability, as his mother I have to speak up for him and there is so many like him. The disabled are not articulate enough and cannot tell you that they require a basic need—somewhere to live. But their need is as important as anyone else’s.

Unfortunately, this mother’s tragic story does not end there. After Ms Filacouridis was forced into the decision of abandoning her severely disabled son at the police station, accommodation and care of another family in the same situation then had to be cancelled. The New South Wales state government has confirmed that accommodation is so limited that the only way a place in a group home could be found for Ms Filacouridis’s son was at the expense of another
struggling family—usually another struggling lone woman, herself bending at the knees under the weight of such unrelenting responsibility, trying to sustain the unsustainable, living 24/7 the grinding effort required of the carer of those with disabilities, doing the job of government and saving the community millions of dollars by her selfless devotion and continued personal commitment to her family.

The public must be made aware of the domino effect caused by the disgraceful lack of available beds for emergency care. There is so much need in the community for appropriate respite care and accommodation. These struggling Australian families are in our neighbourhood—they are our neighbours, and they cannot continue to do it on their own anymore. As a matter of fact, the more they do, the more they seem to be expected to do by the state government. They even seem to be penalised for their efforts. Is it government policy to only respond to these families when they reach breaking point? It is cold comfort to be continually told that your child’s name is on some unseen waiting list.

In a country as wealthy as ours, we can afford to care for our less advantaged and care for them appropriately. We should be able to provide quality respite service for families not only in crisis but also on a more regular basis so that they are not pushed to the extreme of their endurance—and then to find that their new found support is only at the expense of a family in a similar stressful situation.

There is a respite care centre in my local area known as Margaret House. It operates from Friday at 5 pm, over the weekend, until Monday at 10 am. Six children are accommodated in respite care over the weekend on a rotation of eight different groups. That means that one of my local families can hope for one weekend of respite every two months. Regrettably, I am informed that Margaret House has over 100 disabled children on the waiting list. Once upon a time Margaret House was able to provide respite care for adults, until the state government cut the funding. So not only are there 100 families with disabled children in my local community but also there are an unknown number of families with adults without respite care. Further, I was concerned to learn recently that a carer at Margaret House had worked 38 hours over one weekend because there was no funding available for additional staff. Had he been unable to work, the children would have had to be sent home. He was well aware of the distress that this would have caused the mothers. It is more than time for action.

It is time that we reviewed the system and how we accommodate and support those with disabilities. I am not advocating a return to the pre Richmond report days, but it is time for a review of how the Richmond report is being implemented. The Richmond report was welcomed as a breath of fresh air in 1983. It opened the doors of institutions across the state and encouraged those with disabilities not only to be cared for by their local community but also to take their rightful place as members of that community and not be locked out of sight in an institution. In principle, this was a responsible and appropriate new policy. The key recommendations included:

That services be delivered primarily on the basis of a system of integrated community based networks, backed up by specialist hospital or other services as required (eg rehabilitation and accommodation).

The two primary objectives were:

1. to fund and/or provide services which maintain clients in their normal community environment; and,
2. progressively reduce the size and number of existing fifth schedule hospitals by decentralizing the services they provide.

While many aspects of the Richmond report have been implemented, regrettably the level of funds allocated to resource those ‘services that are to be delivered by a system of integrated community-based networks’ have not been nearly sufficient to meet the actual need—nor has the objective of funding to provide services which maintain clients in their normal community environment been achieved. They were worthy objectives, but they have not been delivered.

As a matter of fact, the only change felt by those families with disabled members is that greater weight has been placed upon the mothers, who, more often than not, find themselves alone and exhausted with the full load of unrelenting care for their disabled children. What would happen if parents across the state—or across Australia for that matter—did what Mrs Filacouridis was driven to do? Is leaving their beloved disabled child at the local police station or indeed, at the Premier’s office, the only recourse for the desperate and exhausted? Is that what they have to do to receive recognition and appropriate support services for themselves and their children?

It is encouraging to see that, according to the budget papers, the Department of Ageing, Disability and Home Care received an increase of $163.6 million in the New South Wales budget last week. This is the main agency responsible for delivering programs and policies that assist older people and people with disabilities and their carers. How this money will be spent will be of great interest to the carers in my community. I will join them in watching how it is directed to the important areas of need in respite and accommodation. Another of my constituents wrote to me and summed it up well:

As parent carers we are always being told how wonderful we are, what a fantastic job we do, even how much we save the community by caring for our loved ones at home and other such platitudes. After having said that, we do appreciate that we are recognised, but unless we get every assistance to be able to continue this role we cannot go on before we break both physically and mentally.

It is time for all of us to stand and deliver.

Vietnamese Community

Mr HATTON (Blaxland) (5.09 pm)—I am proud to be the member for Blaxland and to represent my constituents in this parliament. I am also glad that, because of the position I have, I was able last Wednesday to co-host with Alan Cadman, the member for Mitchell, a special celebration for the 8,000 to 10,000 of my constituents who are of Vietnamese background—part of the more than 200,000 people around Australia who have such a background. I was proud to co-host an event recognising 30 years of Vietnamese settlement and integration into Australia, and I was proud that that could be celebrated by them not just near this Parliament House but in the Great Hall of the Parliament of the Commonwealth of Australia itself. There could have been no more fitting a place to have such a celebration—although members who participated in it had the small matter of a number of divisions to contend with, which somewhat detracted from our time in the Great Hall. But that is part and parcel of this place, and the people for whom I was able to co-host the event understood the nature of that.

What they came to the Great Hall to celebrate was, fundamentally, their Australian-ness. That was underlined in a speech given by Dr Tien Nguyen, the Chair of the Vietnamese Community in Australia, and in the comments made by Bich Phan, the Chair of the Vietnamese Community in New South Wales. It was also the key point made in
quite startling language by young Ashley, a lovely child. She is a third-generation Australian Vietnamese of about seven or eight years of age. Dressed in a blue dress, she told us she was a fair dinkum, dinky-di Aussie and that she was here to celebrate the fact that her grandparents and her parents had been able to make this place their home.

They did it, of course, off the back of a long-running war in Vietnam. Indeed, you could stretch the extent of that war to 1,000 years if you included the long-running struggle with and occupation by China. After the Vietnamese were able to liberate themselves from being part of the Chinese empire, they then became part of the French colonial possession of Indochina. At the end of a period of Japanese occupation, in 1945-46, there was a fundamental decision taken by a British major that he should let the Japanese troops out of detention and rearm and use them to act as police until there could be a restoration of French power in Indochina. That, of course, led to a long-running war—from 1946 until 1954—culminating in Dien Bien Phu, after which the Vietnamese people were finally freed from their colonial overlords, who in this case were the French rather than the Chinese. From that period until 1974 there was a war between the north and south of Vietnam.

The people in my electorate who came from Vietnam are people who suffered enormous privation. This was not just because of the dangerous boat voyages they had to take in order to get to Malaysia or the Philippines and not just because of the extended period of time they were in refugee camps in those places; it was also because of what happened to them from 1946 through to 1975 in the long post-colonial years of internal struggle and civil war and, particularly after the end of the war in 1975, because so many people were incarcerated in prisons and camps. Indeed, people I know very well spent more than seven years in those camps. A friend of mine, who is currently back in Vietnam, was thrown out of jail and onto the streets by the Communist regime, because they thought he was only fit to die. He survived to come to Australia and eventually to bring his children to Australia—and I was glad to have been a part of that: whilst I was working for the former Prime Minister, I was able, in conjunction with the now Governor of New South Wales, Marie Bashir, to help in trying to secure the release of his children in Vietnam.

The struggles that people went through to survive the war, to survive the conditions after the war and to get to Australia were also well told by the member for Brand, the Leader of the Opposition, who, in his speech in the Great Hall last Wednesday, told the story of Dr Tien Nguyen and his wife and how they put up with enormous privations and made their way to Australia.

It just so happens that there is a very local connection here. I am proud to say that Dr Tien Nguyen; Bich Phan, who was also one of the people organising Wednesday night; and Henry Dang, who has a pre-eminent position in the Buddhist community not only in Australia but world wide, are all people from my local electorate—as was the florist, Yen, from Bankstown, who did such an incredibly good job. The concert pianist who performed was Dr Tien Nguyen’s wife, and two of the people in the string orchestra were his children. He told me quite directly that his family were all musically gifted and that he was the audience and his role was to clap.

If you speak to anyone in Bankstown—and there are about 10,000 people now in Bankstown, which is in my electorate—who has come from a very difficult background where they have had to work really hard to overcome the privations of war and the post-war period, they will tell you how significant
it is that they feel accepted by the country that took them in from 1975 onwards and how much they want to dedicate themselves to making this a better place. They do not celebrate their ‘Vietnameseness’. That is part of their heritage and what they bring to us, but they actually break their necks to be as Australian as it is possible to be.

They know and understand that, as part of the vast world-wide Vietnamese diaspora, they have to make their life in this new land for themselves, their children and their grandchildren. They understand that the greatest gift they can offer to their family is also a gift they can offer to the country—that is, from very humble beginnings and by hard work and study, to provide a core part of our professional class now and into the future. The young doctors, dentists and lawyers of Vietnamese origin who were present in the Great Hall form a key part of that professional class, as do the people in my electorate who come from China. It is a testament to the strength of their families, their belief in themselves and their hard work.

Every day as I drive to and from work, particularly in the afternoons, I have the opportunity to observe a Vietnamese study group. One of the local teachers takes children after school—there is usually a bit of extra parking in the area—and something like 20 or 30 people study afternoon after afternoon after they have finished their school work in order to put their best efforts forward to try to secure their futures.

I think this is also a testament to the 540 Australian soldiers who lost their lives in Vietnam. Some of those soldiers went willingly and some did not. Some won medals such as the Military Cross for fighting in Vietnam, and others—such as the member for Cowan—were wounded seriously and have been affected for the rest of their lives. Some were members of the regular forces and others were conscripted to go to Vietnam. If those who suffered the ultimate loss, the loss of their life, were here now, they would be proud that what they chose to or were forced to give their life for has given birth to a generation of new, young Australian Vietnamese who are proud of their heritage and even prouder of the fact that they are Australians. In seeking to cement their life here, they have also dedicated themselves time and again to fighting for democracy and freedom. The choice they have in constructing their own way of life here can also assist the family that they have left in Vietnam. I have been proud to play but a small part in trying to help them achieve that. In the future, I hope to achieve more on their behalf to bring freedom and democracy to Vietnam. *(Time expired)*

**Road Funding**

**Mr ENTSCH** (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (5.19 pm)—I would like to use this opportunity in the grievance debate to express the frustration that I feel when attempting to deliver what I see as a key priority in my electorate. It is something that I have set as a priority since being elected in 1996—that is, infrastructure and, in particular, roads. My frustration is in having to deliver these services whilst having to rely on state governments, through their main roads departments and their political process, to assist in facilitating road construction or in contributing to the delivery of these services.

In the time that I have been a member, I have been successful in achieving a very significant amount of funding for the three-laning of the southern approaches to Cairns, from just north of Edmonton right through to the southern bypass area. The Peninsula Development Road has been secured as a road of national importance. A lot of money has
been going into the Roads to Recovery program—I think about $4.1 million to date—and also into the black spot program both in the city and in outer areas, making the road to Port Douglas, for example, infinitely safer through cooperation between councils and local government. It is the same situation with the Kuranda range road.

Unfortunately, that cooperation certainly does not extend to any great degree to the state government, in particular some of their political representatives. An area of extreme frustration at the moment is the small community of Russett Park, which is west of Cairns and near Kuranda. Some years ago a joint state-federal decision was made through the West Tropics Management Authority. It was decided that the access that allowed this community to join with the broader community in times of flooding through a gazetted road onto Black Mountain Road was to be closed in the interests of conservation. This road was not used very often, but when the causeway was flooded it was used for emergency services such as getting kids to school, bringing in food and getting people to work.

Initially, the community objected very strongly to the decision to close this—and we are talking about just over one kilometre, so it is a relatively small distance—but, in spite of the community’s objections and offers for an alternative use of the site, the agencies went ahead and shut the road. The only other alternative, and one that was recommended by the authority, was the construction of a higher causeway, about another three metres, across the river.

Over a considerable period of time the council came up with a contribution and the federal government came up with a contribution of some $500,000, but it was also necessary for the state government to put their hands in their pockets. Even the community was prepared to have a levy on their rates to contribute further towards the cost, reducing the state government’s requirement down to $300,000. Unfortunately, the state government have decided that there is no way in the world they are going to involve themselves in the funding of this vital piece of infrastructure—and I point out that the access has already taken the lives of two local residents.

Unfortunately, the local state member, Jason O’Brien, has, maybe through political inexperience—even though he was a staff member of the previous member for Cook for some considerable time—chosen to hide underneath a desk rather than come out and support the community. The council, with my support and that of the minister, Jim Lloyd, have decided to go ahead and build the road. What will happen at the end of it? There will be a shortfall of funds. The community will have a three-metre high causeway but, unfortunately, the approaches on one side are not going to be finished in time for the next wet season, so they are going to be able to drive across the bridge but, unfortunately, not be able to access the other side. I guess that is a great legacy to the incompetence and the refusal of the current Beattie state government to do something about this problem.

I congratulate Don and Judy Freeman, who head the Russett Park Residents Association, and, prior to that, Jeff Ballantyne, on their ongoing efforts. They have refused to give up. I would encourage them and the Russett Park community to continue to pursue this, because they are right in their endeavours and they have every right to pursue it. I will certainly continue to support them.

Another area where I am having major problems is in relation to the flood proofing of the southern highway between Cairns and Townsville at a place called Tully. It is a road that has flooded very regularly, at times holding up for many days vital supplies to
the north. There have been calls for many years by the state government demanding that the federal government put money into this project and always pointing the finger of blame. We took them to task last year and said, ‘If you want to build it, we will supply the money.’ At that point in time we discovered that the state government had made it a very low priority. They were not even considering that area until 2008. We had caught them out to the point where they had to admit that they knew nothing about the flooding and the cultural, heritage and economic impacts. They could not even produce a plan showing what work was required, and they had not even done a preliminary road works design for the area.

On that admission, we offered them funding in July last year to assist them in doing those works. They came back and suggested that it was going to take three years. That was totally unacceptable. We gave them an additional $1.5 million on the basis that they complete the works in a 12-month period, and with that 12-month time frame it meant that the road could have been completed in the 2006-07 time frame. We thought then that Minister Lucas and his department could get on with the job but, unfortunately, we were wrong; we have now discovered that this is not going to be the case. They are still way behind time. There is a lot of work to do—hydraulic studies on the flood plain, public consultation, investigation of environmental factors, studies on the impacts of the bypass on sites of cultural significance, the economic impacts of the bypass on the local Tully economy and geotechnical assessments—and none of that work has been completed. Unfortunately, it is going to mean that the Tully and Far North Queensland residents are going to have to wait a lot longer for this to be completed.

This is in spite of the fact that last year we forced the state government to quarantine some $80 million out of the AusLink funding to build this road, which, by the way, was reaffirmed in this last budget. But what was their reaction to it? They fed a lot of nonsensical information to one of their federal colleagues down here, suggesting that he could create a bit of mischief and cause some problems. The honourable member for Wills, Kelvin Thomson, was suggesting that the issue was money. I call on the honourable member not to be a poor apologist for the local state government. If he wants to do something about this issue, he should get out there and talk to them about getting the work finished.

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

That grievances be noted.

Question agreed to.

MAIN COMMITTEE Business

Mr BARTLETT (Macquarie) (5.29 pm)—by leave—I move:

That, unless otherwise ordered:

for each of the Main Committee meetings on Tuesday, 31 May, Wednesday, 1 June and Thursday, 2 June 2005 the first item of business shall be Members’ statements for a period not exceeding 30 minutes.

Question agreed to.
Monday, 30 May 2005

CHAMBER

APPROPRIATION BILL (No. 1) 2005-2006
APPROPRIATION BILL (No. 2) 2005-2006
APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2005-2006
APPROPRIATION BILL (No. 5) 2004-2005
APPROPRIATION BILL (No. 6) 2004-2005

Referred to Main Committee

Mr BARTLETT (Macquarie) (5.30 pm)—by leave—I move:

That, unless otherwise ordered at the adjournment of the House for this sitting the bills be referred to the Main Committee for consideration.

Question agreed to.

BUSINESS

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans’ Affairs) (5.30 pm)—I move:

That standing order 31 (adjournment and next meeting) and standing order 33 (new business) be suspended for the sitting on Monday, 30 May and Tuesday, 31 May 2005.

Question agreed to.

SUPERANNUATION BILL 2005

Cognate bill:

SUPERANNUATION (CONSEQUENTIAL AMENDMENTS) BILL 2005

Second Reading

Debate resumed from 25 May, on motion by Dr Stone:

That this bill be now read a second time.

Mr MURPHY (Lowe) (5.31 pm)—When this debate was interrupted last week, I was speaking of the concerns many Australians have about the so-called ‘choice of superannuation fund’ which commences on 1 July 2005. I was saying that the opposition believes that small business should be exempted from the red-tape nightmare of the government’s superannuation choice law. I believe the government’s superannuation choice changes are very complicated and convoluted legalisation, with no fewer than 34 steps involved in complying with the law. Moreover, the government has given small business operators too little time to understand it before it becomes law. The government is implementing super choice in the most heavy-handed, bureaucratic way you could imagine. Far too many small business people do not know that they will face a $22,000 fine and two years jail if they unintentionally provide advice to their employees about which super fund to join. Instead, the government should immediately adopt Labor’s simple, three-step alternative.

I want to continue today by again summarising the effect of the Superannuation Bill 2005 and the Superannuation (Consequential Amendments) Bill 2005. I will outline Labor’s position on these bills and move an important second reading amendment. The government has shut the existing Public Sector Superannuation Scheme, the PSS, to new employees from 1 July 2005, by regulation. These bills will establish a new separate superannuation fund, the Public Sector Superannuation Accumulation Plan—the PSSap. New employees will be in an accumulation scheme, rather than the old PSS scheme, which is a defined benefit, and paid an employer contribution equivalent to the PSS defined benefit contribution of 15.4 per cent; therefore the fund and members will be fully funded. The CPSU has agreed to the change.

As an interim position, the new accumulation fund members will be administered as a subplan of the existing PSS defined benefit. On establishment of the new PSSap, the existing PSS board will be deemed the trustees of the PSSap. Therefore, investing the monies placed in the fund by the employer and
employees and the Commissioner for Superannuation will provide administrative services at no cost to fund members. The PSSap will be the default fund for the purposes of the choice of superannuation fund legislation.

To continue to administratively and legally require the PSS defined benefit scheme to administer an accumulation fund is technically, administratively and legally difficult. It becomes what is known as a ‘hybrid’ fund. Separate schemes are the best approach, provided that the new fund does not lose the advantages of the existing PSS/CSS schemes. These advantages are: firstly, a union and employer trustee board; and, secondly, an economy of scale in investment management fees. PSS fees are between 0.3 and 0.4; there is no better scheme. Thirdly, the administration costs are paid for by the employer—that is, the government. Fourthly, there are higher average rates of returns: for PSS and CSS these were 8.51 per cent and 8.35 per cent respectively over the 10 years to 30 June 2004, due to the funds’ economy of scale—some $13 billion is maintained under management. Fifthly, the negotiated higher employer contributions of 15.4 per cent are not reduced. This legislation does this, except in one area.

The general choice of superannuation legislation allows a choice override: the AWA. If a department or agency does a deal with a fund other than the PSSap—which it can legally do, as any employer can—it can effectively impose inferior provisions on these employees. The opposition has consistently argued, as part of its critique of the choice of funds legislation, that AWA override should not be allowed. It is a denial of choice and can impose inferior schemes on employees. In the case of the public sector scheme, it is difficult to see how this could not be the case. This is also an appropriate debate in which to make some comment on unfunded Public Service superannuation liabilities, about which a great deal of commentary has been made recently in the context of the so-called future fund.

In a table on page 2-20 entitled ‘Australian Government general government sector balance sheet’. Budget Paper No.1 discloses a total superannuation liability of $91 billion, rising to $140 billion by 2020. At estimates last week a breakdown of these figures as at 30 June 2004 was given for the various public sector funds and schemes. They are as follows: Commonwealth Superannuation Scheme, CSS, $47 billion; PSS, $11 billion; Defence Force Retirement and Death Benefits Scheme, DFRDB, $22 billion; Military Superannuation Benefits Scheme, MSBS, $7 billion; and other schemes—Governor-General, judges and parliamentary—$1.5 billion.

The raw figure of $91 billion, rising to $140 billion, outlined in the budget papers, sounds serious. In part the government is scaremongering, trying to whip up hysteria as part of its ‘work till you drop’ approach to the consequences of an ageing population. A more balanced and informed approach to this debate would be to provide the updated debt as a percentage of GDP—as revealed in the last actuarial reports on the four major funds. Remember that the CSS, the DFRDB and the parliamentary scheme are closed and the PSS closes on 1 July 2005.

The shadow minister for finance and superannuation requested a copy of the updated actuarial report on the public sector schemes at Senate estimates committee hearings in February this year. We know an update has been prepared, because the finance department has admitted work has been done. I ask tonight: where is it? Why weren’t the updated figures released as part of the budget details on the future fund?
A more balanced consideration of unfunded superannuation liabilities reveals that: (1) the Productivity Commission *Intergenerational Report* and actuarial long-term cost reports show superannuation liabilities and cash outlays are already declining as a percentage of GDP; and (2) the closure of the PSS on 1 July 2005—and of the parliamentary scheme—will accelerate this decline.

With respect to liabilities the recent draft report of the Productivity Commission noted that the unfunded superannuation liabilities for the four main schemes for which the Australian government is obligated was estimated in 2002 to decline from about 12 per cent of GDP to around eight per cent by the mid-2040s, in the absence of additional funding. This reflects the closure of the two oldest and more expensive schemes, the DFRDB and the CSS, more than a decade ago. The liabilities for these schemes will decline as a percentage of GDP from 8.4 per cent in 2002 to 7.9 per cent in 2005; and from 6.3 per cent in 2022 to 5.7 per cent in 2042.

The unfunded liabilities for the Military Superannuation and Benefits Scheme and the Defence Force Retirement Benefits Scheme are estimated every three years by the Australian Government Actuary. The last assessment was undertaken in 2002 and the next is due for completion with respect to the 2005 financial year. The Australian Government Actuary has not published tables showing the projected unfunded liabilities of the military schemes, but it has noted that these unfunded liabilities are projected to fall.

The *Intergenerational Report* contained some projections of cash outlays for Commonwealth superannuation spending expressed as a percentage of GDP. The projections are based on official actuarial valuations undertaken in 1999-2000, using data to 30 June 1999. As such, they are now somewhat dated. In the *Intergenerational Report* Commonwealth spending on superannuation is projected to decline fairly steadily over the next four decades—from around 0.56 per cent of GDP in 2001-02 to 0.32 per cent of GDP in 2041-42. The closure of old schemes and the declining overall numbers of Commonwealth employees as a proportion of the Australian population will work in the same direction—to drive down this spending.

In conclusion, the opposition supports this legislation to establish a new separate accumulation fund. It is a practical and sensible approach. However, the opposition rejects the scaremongering and selective use of unfunded public sector superannuation liabilities by the government. On behalf of the opposition I move the following second reading amendment:

That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the bill a second reading, the House condemns the Government for:

1. failing to publicly release updated costs of unfunded sector superannuation costs expressed in terms of both monetary and percentage of GDP;
2. scaremongering about the level of unfunded public sector superannuation debt by highlighting raw cost figures only rather than providing percentage of GDP figures over time which show costs declining; and requests the Government to remove the choice of fund override mechanism, AWA, which will impose inferior provisions on public sector employees”.

The DEPUTY SPEAKER (Mr Lindsay)—Is the amendment seconded?

Ms King—I second the amendment.

Mr TUCKEY (O’Connor) (5.44 pm)—The shadow parliamentary secretary to the Leader of the Opposition, the member for Lowe, quite clearly did not write his own
speech. It would not have been a bad idea if the shadow minister for finance and superannuation had given him some advice as to what he would be reading. I think he experienced great difficulty in understanding the fundamentals involved, but I wish him well anyway because he made a decent try.

The Superannuation Bill 2005 and the Superannuation (Consequential Amendments) Bill 2005, which are being debated cognately, are an extension of a major policy decision of the Howard government taken originally some years ago and defeated time and again in the Senate. In fact, sometimes it was not even introduced because the Senate made it patently clear that it would not support a fundamental concept of Australia—that is, the opportunity to make decisions in one’s own or one’s family’s interests. The House today has had some debate, which I might refer to more specifically later, about the idea that a modern day employee or employer might like a choice in the arrangements they make as to the remuneration of the employee.

This legislation states that new Public Service employees will have the choice that legislation already debated in the House gives to private sector employees of the superannuation company, fund manager or private fund that, in their opinion, best handles the employer contribution towards their superannuation. Not only is this a good and fair idea but also it addresses a problem that has been around since the commencement of compulsory superannuation. You will remember, Mr Deputy Speaker, this first materialised in state government awards, which made it compulsory that certain employers paid into certain union funds a percentage above the salary of their workers’ salaries.

I might have been the first person to stand in this place in opposition at the time to draw to the attention of the parliament how unfair this arrangement was. I quoted from letters from workers in the shearing industry who pointed out that, even in that trade, they had a multitude of funds to which, from time to time, contributions were being made on their behalf. As a consequence of the nature of their industry, which is seasonal and cyclical, they took other employment at different times. They might have gone to drive a truck, for example, at harvest time when people were not shearing. That money had to go into a different super fund to the one they had for their shearing jobs. They had a multitude of funds, every one of which was having $30 or $50 a year extracted from it, notwithstanding that from time to time there would have been no money going into it.

That situation existed until the Howard government decided to take on the Senate again on the issue of superannuation choice. I would imagine that the first thing that many workers would want to do—if they even know where their money is—is to have it aggregated into a single fund with a single management fee and, of course, a better return on the moneys that a variety of employers have paid on their behalf to assist them in their retirement. For those reasons alone, having choice is eminently sensible. But this legislation will establish the Public Sector Superannuation Accumulation Plan, or PSSAP. I like the SAP bit—‘soon as possible’, which of course is not what it stands for. The point is to give new employees entering the public sector the opportunity to have the funds that the taxpayers of Australia will provide paid into the super fund of their choice.

It is a matter of record that back in 1990 the then government, the Hawke government, introduced measures to create a funded superannuation process for employees who entered the public sector around 1 July 1990. So we have had progress away from a totally unfunded scheme over time. Nevertheless,
the superannuation of people who are affected by that scheme and those arrangements remains where it is. This choice process is for new employees. The two bills being debated cognately are the Superannuation Bill 2005 and the Superannuation (Consequential Amendments) Bill 2005. Both set out to put these arrangements into legislation. The employer concerned, under modern arrangements in the public sector, is typically a secretary of a department who has quite a lot of freedom in making arrangements with their work force within their budgetary entitlements and who will understand what offers they can make to employees in the future. I support these arrangements and congratulate the Minister for Finance and Administration, who has brought this additional legislation to the parliament. Clearly public sector employees should be in the same category as others.

I am a little interested in the amendment that was proposed at the last minute by the shadow parliamentary secretary. It talked about scaremongering, suggesting in some way that we should not really worry about the unfunded component of superannuation and the burden it might put on young people who are virtually babies as we stand in this place and whose taxes will have to support that particular situation. That is like running deficit budgets: you are asking the kids of tomorrow to pay for the extravagance or the vote-chasing of the people of today. We saw a five-year period in Australia where a government—principally the Keating-Beazley government—borrowed $80 billion, taking the debt of this parliament from $16 billion to $96 billion, which, of course, has had to be repaid. We as a government could have left it there for my grandkids or somebody else’s children, but we thought it was our responsibility to correct that arrangement and get the matter back into some semblance of order.

It is interesting because while that debt was being contracted there was a huge amount of revenue obtained by selling the Commonwealth Bank, Qantas, Australian Airlines, Commonwealth Serum Laboratories et cetera—not because of any philosophical bent of the government of the day and not because they thought it was a good idea, but simply because they needed the money. As a consequence, the proceeds of those sales were spent at that time, while the additional debt was contracted. It is a matter of record that in attempting to fix this problem, the Howard government, in disposing of a portion of Telstra, immediately applied the proceeds to the reduction of that debt so that it is not a burden for the future. With the changes to representation in the Senate, the government proposes a future fund, which will be primarily directed to the unfunded component of public sector superannuation, except since 1990. With these new measures, future superannuation for new employees in those two categories will be funded. The government will make a contribution on a regular basis and it will form part of the budget announcement, as will any deficiencies that occur as a consequence—and that is fair enough.

I do not know where the scaremongering is. I guess it is the suggestion that maybe this is not a very large cost. To tell you the truth, whether it is large or small, it is our responsibility to address the issues of people who have been employed in the public sector, not people who are going to be employed in the future. The government should make provisions now. In terms of that future fund and the responses to address the unfunded side of the government’s superannuation responsibilities, I must express in this place—as I have to the Minister for Finance and Administration—some concern as to how that money will be managed. There is a suggestion, and I think it is quite proper, that it be at
arm’s length from politicians so that it is not—as happened with the sale of the Commonwealth Bank, Qantas and those other government business enterprises I mentioned—consumed in recurrent funding or through wacky deals. I do not believe—as a consequence of superannuation, which will be enhanced by choice—the share market or stock exchange activities necessarily are the proper repositories for this money.

We see massive changes as we speak, with the proposed takeover of Western Mining—another major independent resource company disappearing from the stock exchange with huge payouts to the shareholders. We see in many ways that, as a result of compulsory superannuation, there is a huge investment pool within Australia. I am not convinced that gambling it on the stock exchange and reducing the return per dollar of share value is a good idea. It extends to high farce, in my mind—as the National Bank discovered some time ago—that derivative trading, which I refer to as one person betting today that they can find someone more stupid than themselves tomorrow, is an appropriate means of building wealth. The original idea of futures or derivatives was to bring together somebody who needed to secure a price—whatever it was—for their product, with someone who needed to buy it at that price because they had ongoing commitments to manufacturing using that product. That was appropriate. People started going in and making judgments—having a bet. They would have got better odds at the races in many cases.

I want to put that on the record. I have given the message to senior people in our party that as they progress with the future fund, which I endorse, they should look at the investment. I do not think there is anything wrong with good investments in business enterprises that need government to subscribe in the early stages. The government did it with the Darwin-Alice Springs railway—and let us hope that over time that investment, which is a gift, will ensure that operation is maintained and adds value to the economy. Telstra and the Commonwealth Bank were investments by a government at a time when nobody else wanted to invest. I argue that another investment of that nature should be made in tidal power in the Kimberleys, which nobody wants to do at this time. In the cases of Telstra and the Commonwealth Bank, there comes a point in time when it is no longer appropriate for the government to run a business of that nature, it would be better operated by the private sector, and the government could take a good profit on behalf of the taxpayer. I put those matters forward for when one looks at superannuation and where it is going.

Let me take this opportunity to endorse the Prime Minister’s remarks today after an attack from the member for Perth and the Leader of the Opposition, who wanted to make all these comparisons between members of parliament—the job they do and the remuneration they receive—and other people in the community. It is a silly exercise. But it also greatly denigrates the efforts of people in this place. I have been here longer than most and I am well aware of the financial opportunities I would have had if I had remained in the private sector. I do not regret my decision and I hope over time that there are things I have done in this place that have contributed to the welfare of the people I represent directly, and the rest of Australia.

I have not seen a truly lazy member of parliament in 24 years—I do not care who they represent. I find it passing strange that it was raised by two people who have been totally dependent on politics for their personal remuneration throughout their lives as compared with many others who have come here from aspects of the private sector—less so on the Labor Party side, I must say—to
give service at what are relatively average levels of remuneration in this day and age. Why should these two people, who as I said in an interjection during question time today, have never had a real job in their lives be the ones chucking bricks in a house of glass? It is silly, and I am glad the Prime Minister took them on today. What did we have? We had their previous leader attacking the superannuation system that for the 50 per cent of MPs never—

Ms King—On a point of order, Mr Deputy Speaker. I ask you to draw the member back to the content of the bill.

The DEPUTY SPEAKER (Mr Lindsay)—The member for O'Connor will come back to the content of the bill.

Mr TUCKEY—I am a bit confused as to how I would follow that instruction, having heard the previous speaker, who was all over the place in his contribution.

I am talking about superannuation for new employees, which includes members of parliament and the public sector. The old system so criticised by Mr Latham was not very generous to people who failed to serve in this place for more than eight years: they just got their money back. Many other issues, such as the idea that a younger person retiring after 10 years service could get a pension for life, were fixed. Again we had this tall poppy syndrome argument being presented in this place, and a lot of the public did not understand what it was all about. If those opposite want to have a political debate, they should get some decent facts and figures, speak to them and make a point. But I thought that that exercise today was hopeless.

With my time almost concluded, I would like to say that this is a good bill which is built on good legislation for the private sector. The bill gives the same rights to a public servant notwithstanding that, if it is their choice, they can accept the PSSAP as the fund to look after them. Otherwise they can go out, and some of the better remunerated might want to run their own scheme. There are provisions in the tax law to do that. They should have that entitlement as much as it is available to private sector employees.

In regard to that choice, a lot of remarks were made about where small business might be inconvenienced by the new arrangements, as typically we governments ask them to do a lot of work that maybe we should not be asking them to do. However, I was encouraged the other day when the Minister for Revenue and Assistant Treasurer, Mr Brough, was questioned in our party room about some of this complexity, and he pointed out, for instance, how an employer with a number of people that have the same choice of super can send one cheque to a single fund with advice as to where that money should be distributed, and the funds will do that work. That is going to be a great help. And presumably arrangements in the public sector might be the same, but they will not need to be because they have very large numbers. (Time expired)

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (6.05 pm)—It is my pleasure to sum up the debate on the Superannuation Bill 2005 and the Superannuation (Consequential Amendments) Bill 2005. The member for Lowe moved an amendment to the second reading which comprised three parts. Unfortunately the member for Lowe seems to have misunderstood these bills because none of these three issues in the second reading amendment has any relevance to this bill at all, particularly the third part requesting the government to remove the choice of fund override mechanisms. The choice of fund arrangements that will apply to public sector employees are based on the main choice arrangements that will apply generally to Australian workers, and these arrangements are
simply not part of the bill that is under consideration.

Let me tell the House what this legislation is all about before I commend it to the House. The Superannuation Bill 2005, together with the Superannuation (Consequential Amendments) Bill 2005, makes changes to the superannuation arrangements for Australian government employees and officeholders to bring them more in line with the superannuation arrangements for other employees. The bills will allow the Public Sector Superannuation Accumulation Plan to be a separate scheme, which would operate on a similar basis to other superannuation schemes. The new scheme will replace the current PSS accumulation plan, which is a subplan of the largely unfunded defined benefit public sector superannuation scheme, or the PSS. This change will make it easier for Australian government employees to compare the PSS accumulation plan with other such schemes.

Establishing the PSS accumulation plan as a separate scheme is not intended to change the features of the plan. It will operate in essentially the same form as the PSS accumulation subplan. The PSS board will continue to be responsible for the PSS accumulation plan and will be responsible for the new fund established for the plan. The Commissioner for Superannuation will continue to provide administrative services to the board in respect of the new plan. Australian government employees and officeholders in the PSS accumulation plan will be treated in the same way as they would have been treated in the subplan of the PSS, and employer contributions will be payable in the same circumstances.

From 1 July 2006, choice of superannuation fund arrangements will be offered to new Australian government employees and to members of the PSS accumulation plan on the same basis as private sector employees. PSS accumulation plan members may have choice earlier if their employer agrees to offer choice from a date on or after 1 July 2005. Where new Australian Public Service employees and certain other prescribed persons have not made a choice, the Superannuation Bill 2005 provides that the PSS accumulation plan will be the default fund for these people. Other Australian government employers will select their own default fund.

The Superannuation (Consequential Amendments) Bill 2005 will amend eight acts and the trust deed under the Superannuation Act 1990 as a consequence of the establishment of the PSS accumulation plan. Amendments will include the closure of the PSS to new employees from 1 July 2005. The Superannuation (Productivity Benefit) Act 1988—the productivity benefit act—will be amended so that from 1 July 2006 it will not apply to new employees and officeholders who would otherwise be covered by the act. Superannuation will be provided for these person as agreed with their employer, subject to employers providing contributions at least in accordance with the superannuation guarantee legislation. Also, employees and officeholders will be able to join the PSS accumulation plan.

The productivity benefit act will also be amended to ensure that the act does not apply in respect of persons who have chosen to cease PSS accumulation plan membership in accordance with the choice of fund arrangements. As a consequence of the closure of the productivity benefit act to new employees, the Governor-General Act 1974 and the Judges Pensions Act 1968 are being amended to provide safety net superannuation guarantee minimum support to the Governor-General and judges. This would occur only in rare circumstances where the benefit otherwise payable would be less than the
superannuation guarantee minimum employer superannuation.

Minor amendments will also be made to the Superannuation Benefits (Supervisory Mechanisms) Act 1990, to the Income Tax Assessment Act 1936 and 1997 and to the PSS trust deed. These amendments concern the establishment of the PSS accumulation plan as a separate scheme. The Superannuation Benefits (Supervisory Mechanisms) Act 1990 also includes minor amendments to allow Australian government employers to provide employees with choice of funds. The changes proposed in the bills do not affect existing Australian government employees as at 30 June 2005, including those employees who are members of the CSS or the PSS. I commend the bills to the House.

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

Question agreed to.
Original question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Third Reading

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (6.12 pm)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

SUPERANNUATION (CONSEQUENTIAL AMENDMENTS) BILL 2005
Second Reading
Debate resumed from 12 May, on motion by Dr Stone:
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

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (6.12 pm)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

APPROPRIATION BILL (No. 1) 2005-2006
Cognate bills:
APPROPRIATION BILL (No. 2) 2005-2006
APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2005-2006
APPROPRIATION BILL (No. 5) 2004-2005
APPROPRIATION BILL (No. 6) 2004-2005
Second Reading
Debate resumed from 26 May, on motion by Mr Costello:
That this bill be now read a second time.
upon which Mr Swan moved by way of amendment:
That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the bill a second reading, the House condemns the Government for a Budget which:
(1) delivers grossly unfair tax relief which favours the highest income earners at the expense of ordinary Australian families;

(2) ignores the crippling effect of punishingly high effective marginal tax rates on workforce participation;

(3) imposes harsh conditions on the income of the most vulnerable members of the community;

(4) fails to invest in skills and infrastructure disregarding repeated warnings from the RBA and OECD about skills shortages and infrastructure bottlenecks;

(5) exposes Australians to the risk of higher interest rates as a result of capacity constraints and escalating economic imbalances;

(6) predicts a significantly slowing rate of real GDP growth to below the Australian long-term average and considerably below world GDP growth;

(7) confirms continuing unsustainable current account deficits into the future;

(8) predicts a continuing increase in Australia’s foreign debt;

(9) predicts import growth to exceed export growth; and

(10) contains a proposed Future Fund which is focused on offsetting the superannuation liability of Commonwealth employees at the expense of sensible long-term investment in vital infrastructure”.

Mr CIOBO (Moncrieff) (6.13 pm)—I am pleased to have this opportunity to continue my remarks with respect to Appropriation Bill (No. 1) 2005-2006. There can be no doubt that the people of Moncrieff and, more broadly, the people of the Gold Coast and the people of Australia are the direct beneficiaries as a result of the strong economic growth that the Howard government has been able to facilitate and ensure will continue. The Treasurer, Peter Costello, ought be commended for the strong framework he has put in place that has seen Australians’ standard of living in real terms continue to improve year upon year. It does stand in stark contrast to the legacy of the Australian Labor Party.

The Australian Labor Party saw inflation, interest rates and unemployment all increase to record levels. For the people of the Gold Coast this meant it was hard to find work. For the people of the Gold Coast with a relatively highly casualised workforce particularly in the areas of restaurant catering, hospitality and tourism it meant opportunities for them to seek work and to be employed were a faint hope under the Australian Labor Party. But, because of the good economic framework and the sound economic management of Peter Costello as Treasurer, I am very pleased to report to the people of the Gold Coast that their opportunities are better now than they have ever been. From my perspective I am pleased to say that I am part of the Howard-Costello team. I am very pleased to say that I am part of a government that believes in ensuring that all Australians are better off as a result of the decisions that we take.

In this latest budget that has been reflected in a number of ways. The overall fiscal outlook for Australia is sound. The reality is that this budget provides an underlying cash surplus of approximately $8.9 billion, the eighth budget surplus by the Treasurer. It provides Australia with a continuing strong budget position that is maintained, but at the same time we are able to provide further personal income tax cuts as well as introduce significant reforms to the welfare system aimed at ensuring that we continue to improve workforce participation.

Welfare reform has been a key part of one of the issues that I have been talking about of late. Welfare reform is something that I fundamentally believe in because I believe it is the key to the long-term prosperity of our nation. Welfare reform is necessary. Three decades ago there were 20 working Austra-
lians for every one person whose sole or primary source of income was welfare. In the early stages of 2000 that ratio of 20 working Australians to one person on welfare fell to five working Australians for every one person on welfare. As a nation we have seen a tremendous uplift in the number of people relying on welfare. It has reached the stage where one in seven children live in households where neither parent works or, if it is a sole parent household, where that parent does not work. As a government we have decided to say, ‘Enough is enough.’ We need to do what we can to encourage people to be self-reliant and we need to make available to them the skills and the education they need to be self-sufficient and ensure that their opportunities for employment increase.

The government has been very successful at doing this. Because unemployment is now down to 5.1 per cent the opportunities for people to move from being on welfare and into the labour force are more pronounced now than they have been since the 1970s. The Howard government has created good economic conditions. Businesses are happier now to look at employing people than they have been for decades. Because of the Howard government’s forward thinking and forward planning when it comes to industrial relations reform, the people of Australia will be able to enjoy the bounty that will flow as businesses no longer feel burdened or encumbered by employing staff but rather will actively go out there and employ staff.

This momentum would be further helped if state Labor governments threw the shackles of payroll tax off businesses. Nowhere would that be more pronounced than in Queensland, where consistently and continually the state Labor government ensures that it penalises those that employ people by making sure they pay what I consider to be obscene levels of payroll tax, a tax that is insidious because it actually imposes a penalty for employing people. I would like to see the Beattie Labor government get serious about removing this wicked tax.

This stands in stark contrast to what the Howard government has been up to. In terms of tax cuts—and we have seen some debate on that over recent days here in this parliament—the Howard government is delivering $21.7 billion worth of tax cuts. The people of Moncrieff and the people on the Gold Coast should be excited about it. I am quite excited about it because it means that Australians will be able to keep in their own pockets more of their own money. It means that their chance of going on a holiday is increased. It means that their chance of coming to visit the Gold Coast for a holiday has increased. We believe, as a fundamental platform of this government, that once you have paid for those areas of responsibility that come within the federal government’s ambit, once you have ensured that we can provide defence and security to the nation and once you have ensured we are able to continue repaying Labor’s debt, then any additional surplus is put back in the pockets of those who have to work to pay their taxes.

In addition to the fact that there has been a $21.7 billion tax cut I am very pleased that that tax cut has been targeted so that the greatest percentage flows to the low-income earners in Australia. By the same token, we have ensured that we have created incentive for people to continue working and to aspire to earn more. We have created that incentive by moving up the thresholds for the top two marginal rates of 42c and 47c. With the new thresholds that will come into play from 1 July this year and 1 July next year we will have ensured that Australians will be able to earn reasonable levels of income before they are penalised by the top marginal rate. This is a positive, because we must ensure that Australia is internationally competitive. Despite the protests from the Australian Labor
Party and despite the fact that the Australian Labor Party seeks to play the politics of envy with this issue of tax cuts, the Australian people are simply seeing new tax thresholds that place Australia not at the top but, rather, in the middle grouping of OECD countries in terms of the multiple of average weekly earnings before taxpayers go into the top tax bracket.

For the people of the Gold Coast this budget has delivered, and delivered in spades. I hear from and talk with the people of the Gold Coast all the time about their yearning and desperate need for improved infrastructure on the Gold Coast. Most poignantly, the single piece of infrastructure that I hear about the most is, of course, transport or road infrastructure. The people of the Gold Coast have been very badly served by the Beattie state Labor government. Despite the fact that the state Labor government is wallowing in record GST funds it continues to ignore the very legitimate demands of people on the Gold Coast for increased traffic infrastructure.

The people of the Gold Coast need more funding from the Queensland state government to unclog our arterial roads to ensure that when tourists come, especially in our peak month of December, they have the opportunity to enjoy the Gold Coast for what it is—Australia’s premier tourist destination. We need to ensure that we get road funding. The federal government is providing road funding. This budget continues to ensure record funding allocations under, for example, the Roads to Recovery program. In addition, there is an allocation of some $627 million that the federal government has made available to the Queensland state government to use for roads in south-east Queensland. I urge the Beattie state Labor government to ensure that the Gold Coast is placed in a priority position when it comes to the distribution of some of the $627 million of taxpayers’ money that the Commonwealth government is making available to the Queensland state government.

In addition, there is some $96 million that the Howard government has made available to the Queensland Local Government Association for apportionment between the various local councils. Again, I would like to see the lion’s share of that funding flowing to an area that is in desperate need of additional road funding. The federal government is certainly doing what it can to ensure that the people of the Gold Coast benefit not only directly and personally through income tax cuts but also indirectly through the provision of large quantums of money for road traffic infrastructure.

When it comes to tourism, the budget this year has seen the Howard government deliver as promised and in full the record amount of funding to the tourism industry that was announced under the tourism white paper. Under that white paper, a firm plan was laid out to ensure that the tourism industry could recover after the events that we call the three horses of the apocalypse—the collapse of Ansett, the SARS epidemic and, of course, September 11. These three events together ensured that our inbound international tourism business was largely decimated for quite some time. In a responsive and very real way the former minister for tourism, the Hon. Joe Hockey, as well as the current Minister for Small Business and Tourism, the Hon. Fran Bailey, have followed through on the promise of this government to provide real funding for the tourism industry, and as a result the people of the Gold Coast are beneficiaries of this significant investment in the tourism industry.

For the Gold Coast, the consequences of this additional investment are clear. For the first time in many years, the people of Moncrieff and the people on the Gold Coast have
seen the city’s unemployment rate drop below the national average. There was a time when people on the Gold Coast would say that it could not be done. Because of our transient population and our heavy reliance on the hospitality industry with its employment of casuals, there were many people who said that it would not be possible for cities like the Gold Coast to go below the national average when it came to unemployment. However, as a consequence of this record investment of some $650 million, we now see Gold Coasters enjoying the largesse of this government. More importantly, we see the intelligent investment of taxpayer dollars to ensure that our second largest export industry, namely, the tourism industry, is in a position to continue growing, attracting inbound international visitors and providing very tangible benefits to the people of the Gold Coast.

Families as well have been very big winners under Peter Costello’s most recent budget. The government has increased the maximum rate of family tax benefit part B at a cost of some $2 billion over five years. What is more, the level of income allowed before FTB part A is withdrawn will be increased to $37,500 a year from 1 July 2006. I say to people in my electorate and to people on the Gold Coast: this means some 400,000 families nationwide are effectively getting an additional $12 from the federal government each fortnight as a consequence of the increased threshold for family tax benefit.

In addition, because of the sound economic management of the Howard government, we are ensuring that carers in our community are once again going to enjoy an additional $1,000 one-off payment for those that are recipients of carer payment and an additional $600 for those that are recipients of carer allowance. The constant contact that I have with carers in my electorate reinforces to me the absolute importance of payments like this. If it were not for sound economic management these types of social dividends that flow from government would not be possible. If it were not for the sound economic management of the Prime Minister, John Howard, and the Treasurer, Peter Costello, we would not be in a situation to provide these much needed funds, to say to carers: ‘Thank you for what you do. I hope that in some small way this provides an opportunity for you to do something that ordinarily would be out of your reach.’ More often than not this means that the person being cared for is in a better position to purchase equipment or perhaps even additional respite services for the carer or something to that effect.

I am very pleased to say that small businesses—a key part of my constituency—have been big beneficiaries too as a consequence of this most recent budget. First and foremost, the tax cuts will of course keep the economy bubbling along so that there is a very soft landing after some of the very strong economic growth that we have seen, particularly over the past couple of years, especially in areas such as the property market. In addition to that, the Howard government reduced the three per cent tariff that applied to business inputs and this, at a cost of $1.3 billion over five years, means that Australian businesses are in a better position than ever before to bring down their costs, which helps with the bottom line profit. As well, the government will be taking concrete steps for further industrial relations reform, which will have big benefits most particularly for small businesses employing 100 or fewer people when we finally provide them with an unfair dismissal exemption.

This most recent budget is a good budget because it provides more money for carers, it provides more funds for families and it ensures individuals enjoy tax cuts. But, whilst it has done all of those things, we have en-
sured that we keep economic stability, we keep the Australian economy growing and we keep sound economics at the very core of what the Howard-Costello government is about. I am pleased to commend the appropriation bills to the House and I ask the Labor Party to support them.

Mr RUDD (Griffith) (6.29 pm)—What is the purpose of a budget? A budget is the principal means by which a government informs the parliament and the people of the nation of that government’s priorities. It is not the only means by which governments do this; they do it through legislation, like the Appropriation Bill (No. 1) 2005-2006 and related bills, they do it through regulation and they also do it through day-to-day administrative decision making. But however good the laws may be, however sound the regulations may be and however competent the administrative decisions may be, it is the budget that gives practical expression to a government’s vision for the nation. A budget, therefore, is not simply an exercise in fiscal policy. Nor is it simply a question of taxation about the best and most balanced application of the principles of fairness, efficiency and incentive. A budget is also about how we spend the people’s money and the framework within which we spend it.

The tragedy of this budget is that, like its predecessors, it is a budget detached from any real narrative of nation building. Much as we might scour the Treasurer’s speech, this budget is presented as a shopping list rather than a national strategy. If there is a national strategy buried in the subtext somewhere, perhaps the Treasurer’s advisers—including the one seated at the table, the member for Sturt—could point me to the relevant paragraph, because I simply cannot find it. To date, I am not sure that many people across our nation have been able to find it either. So how then is the nation supposed to be galvanised in the direction of the great national development tasks which lie ahead?

The budget should tell us what the government’s national security strategy is and how its capital and recurrent allocations fit within that strategy. This budget does not do that. The budget should articulate the government’s strategy for enhancing our international economic competitiveness by lifting national productivity. This budget does not do that either. The budget should detail how investment in education, skills and training represents the engine room of long-term productivity growth, but on this the budget is silent. The budget should detail how the government proposes to deal with the nation’s long-term infrastructure needs, from water resources and road transport to our overburdened ports, but on this the budget is silent as well. The budget should indicate what the government means by fairness and how this is articulated in terms of our entire social security system and our health system, but it does not talk of this either. Does the government believe in compassion when it comes to our aged care system? We have nothing on that in this budget either. What is the government’s vision of sustainability, and how does it give effect to that vision in the resources which this government allocates? Again, we have a large silence in the budget.

In short, this is a budget without vision. However, it is equally a budget which does not in any way articulate the values which might underpin a vision for the nation’s future: values of security, values of competition, values of fairness, values of compassion and values of sustainability—values that in our argument should shape the nation’s future. Not only does the budget lack a vision for the nation and the values which might underpin it; it also lacks a vision for our local communities. It is a budget detached from the needs of our local communities with precious little understanding of what it takes for...
working families, disability support pensioners and other pensioners simply to make ends meet.

Today I would like to use this opportunity to ask the Prime Minister, the Treasurer and other ministers a few simple questions. If you speak to residents in my electorate in Brisbane, they do not really share the government’s view that the government is providing a decent standard of even the most basic service delivery to local communities such as the one I represent here. How is the Howard government helping Ms Jocelyn Moore of Cannon Hill in my electorate? Ms Moore has suffered over half a decade of mistreatment by Australia’s dental care system and there is no apparent end in sight. Ms Moore has been on the waiting list for public dental care for over five years with no success. Ms Moore has not been seeking major surgery or a big operation, just a run-of-the-mill dental check-up. Six years ago, when she became eligible for check-ups, she registered with a dental hospital at Wooloongabba. Four years later, although she had continued to call the dental hospital, she had not been able to obtain an appointment.

When Ms Moore got fed up with this treatment she visited the hospital to ask why she could not get a check-up. The answer she got was simple: because time had lapsed and she had fallen off the waiting list. The dental clinic promptly put Ms Moore back on the waiting list. To this day, however, she is yet to secure an appointment. To make matters worse, Ms Moore cannot register with any other hospital because of the geographical catchment restriction. Her local clinic does emergency dental work, but she tells me that that requires you to wait outside a clinic and wait up to five hours before being admitted. When Ms Moore did need emergency dental work done recently on a chipped tooth and a filling, she was told that they only had the time and resources to fix one of them that day. They made her choose which emergency work she wanted done and then told her to return another day to have the other emergency work completed.

I do not see anything in this budget which adequately addresses the dental care crisis in Australia. There is no new money for public dental care whatsoever, there is no new money for Australian hospitals whatsoever that I can identify and there is no new money for the training of doctors and nurses in this budget. Remember, this is the government that abolished the Commonwealth Dental Health Program in 1996. When the government did that, there were 380,000 Australians waiting an average of six months for public dental care. Today there are over 500,000 people waiting up to five years to get their teeth fixed. This budget does nothing at all to improve Jocelyn Moore’s chances of finally getting a standard check-up on her teeth, and it does nothing for those on Brisbane’s Southside and right across Australia suffering similar problems at the hands of our federal dental system.

Then, of course, there is health care. The maintenance of basic health delivery would have to be one of the greatest failings of the Howard government. Federal government health care delivery in this country has been the subject of systemic neglect for nearly a decade. This budget does nothing to improve the government’s performance on this score. Regardless of what the Howard government says on health care, it is what the Howard government does that counts at the end of the day. So, quite apart from the government’s rhetorical flourishes on health care, I pose the question today: what is it doing in practical terms on Brisbane’s Southside to improve basic health care delivery?

What is the Howard government doing for Ms Collins of Coorparoo, who cannot afford to pay for the continence aids she needs to
get through every day? Let me explain why
the Howard government is failing Ms
Collins. Ms Collins has been accessing the
federal government’s Continence Aids Assis-
tance Scheme, CAAS, since an accident in
1996. This service has in the past fully sub-
sidised boxes of incontinence pads for Ms
Collins, but as she has recently turned 65
years old, this service has been terminated.

Ms Collins has been advised that, if she
were able to perform over eight hours of paid
work a week, the subsidisation of her conti-
nence aids would continue. Because of the
severity of her condition, however, she is
sometimes physically unable to stand up for
hours at a time. Ms Collins has been in-
formed that she will only be able to continue
accessing CAAS if she can be classified as
performing paid work for more than eight
hours a week.

Although the Howard government has a
National Continence Management Strategy
in place, neither the Continence Aids Assis-
tance Scheme Helpline nor the National
Continence Helpline provide any assistance
to Ms Collins as she is over 65. Ms Collins
has a full-time carer due to her disability and
experiences severe pain as a result of her
medical condition. This is a big cost in itself
but, combined with the cost of purchasing
continence aids, Ms Collins is being finan-
cially crippled. She says she now faces the
prospect of having to go without continence
aids—against her doctor’s advice—simply
because she cannot afford to buy them. In
my view, this is simply un-Australian. Mr
Costello said in the opening line of his
budget speech that this budget delivers on the ‘future of our health services’, but what
is it doing for people like Ms Collins who
cannot afford basic medical aids?

Cases like this are not isolated. My office
receives hundreds of calls every year from
people struggling to afford health care neces-
sities and pharmaceuticals. Mrs Josephine
Smith of Carina Heights is another example.
She cannot afford the type of medication for
her diabetes that does not give her side-
effects. Mrs Smith has type 1 diabetes. She is
currently using a type of insulin called Lan-
tus, which is not listed on the PBS. Mrs
Smith has tried Protophane and Novomix,
which are listed on the PBS, as alternatives
to Lantus, but she experiences fewer side-
effects when using Lantus. Mrs Smith has
therefore had to continue using Lantus since
September 2004. Mrs Smith tells me that one
month’s supply of Lantus costs $106, or
$1,272 per year. But, as she works part-time
and her husband does not work, she finds the
cost of Lantus prohibitive, especially when
combined with the other medical expenses
incurred by having diabetes such as blood-
glucose electrodes and lancet tips. So what is
the Howard government doing for people
like Josephine Smith? The answer is not
much indeed.

Then there is the question of bulk-billing.
The bulk-billing rate in my electorate is 65.4
per cent. Four years ago the bulk-billing rate
on the Southside was 90 per cent. There is
little evidence to suggest that the Howard
government is doing anything substantial to
rectify the bulk-billing crisis on the South-
side. This is despite the constant rhetoric we
hear from the Prime Minister and the Minis-
ter for Health and Ageing about their com-
mitment to the restoration of bulk-billing.

However, bulk-billing is not the only area
which is hitting the hip pockets of residents
in my electorate. The Medicare safety net
was announced before the election as a fix
for collapsing bulk-billing rates. Although it
was a key part of its election platform only
seven months ago, the government in its
budget has taken the axe to the Medicare
safety net. In fact, not only has it taken the
axe to the safety net; it has used a blow torch
on it as well, reducing funding for the scheme by $499 million.

Before the election, the health minister said that there was a rock solid, ironclad guarantee that the government would keep the Medicare safety net at the levels promised before the election. After the election, he quickly made this a non-core promise. This measure will increase current thresholds from $300 to $500 for concession card holders and family tax benefit A recipients and from $700 to $1,000 for all others, before out-of-pocket expenses are refunded.

And what about the PBS, which affects so many more Southside residents like Josephine Smith? The budget will also cut $1.3 billion from the Pharmaceutical Benefits Scheme, via a range of measures. Firstly, there is the increase in concessional and general safety net thresholds, estimated to save $140.2 million over four years. This will have the effect of increasing the threshold from 52 to 54 scripts for concessional patients for the first year and each year thereafter; for general patients the dollar threshold will also be increased. Secondly, there is the removal of calcium tablet preparations from the PBS to save $35.9 million over four years. Thirdly, there is the tightening of supply arrangements so that scripts re-supplied within 20 days do not count toward the PBS safety net. This is estimated to save $70 million over four years.

It does not get much better on vaccinations either. The budget does not extend funding for the pneumococcal vaccination for infants beyond March 2007. That supply, which has been stockpiled by the government, has no forward budgeting provision to take it beyond that date. On IVF, there is no guarantee that the Howard government will not proceed with its cut to the program at a later stage either.

Education is the engine room of equity and the engine room of economic performance. It is remarkable that, at a time when the government itself talks of a ‘skills crisis’ in Australia, it does not make any new investments in our country’s education and training sectors in this budget. In fact, the words ‘primary school’ and ‘high school’ do not appear in the Treasurer’s budget speech. Nowhere in the budget papers does the government tackle the problem of unmet demand for TAFE places, which logic dictates would be critical in helping to alleviate our nation’s skills crisis. Furthermore, there is no growth funding for extra university places, even though the business community continues to highlight the need for skilled professionals in the work force.

It is a standing national tragedy that so many of our nation’s leading universities have now become entirely dependent on foreign full-fee paying students in order to support their recurrent budgets. Such has been the dimensions of government cutbacks since 1996 to the university sector that they are now virtually entirely dependent on the amount of money delivered from students coming from abroad.

It leaves open the deep question for the future investment in these institutions as to what happens when foreign fee-paying students fail to come in the numbers that are currently being generated. As different competitive institutions emerge across East Asia and South-East Asia, that day is approaching fast and for which we have no forward provision from this government at all in this budget. The net consequence of that will be a net disinvestment in our tertiary institutions over time. The future quality of the courses we offer, the salaries we offer our leading academics and the other facilities made available through our nation’s leading universities will be severely affected—and on this we see no vision at all.
Let me also make some points about this budget’s failings in education, as articulated by our spokesperson, Jenny Macklin. In this budget there are no new education and training measures that have not been announced before; there is no general growth funding for additional TAFE places, despite around 40,000 Australians being turned away from TAFE last year; there is no $2,000 trade completion bonus for traditional apprentices, which would have brought at least an extra 8,000 trained apprentices into our workplaces every year; there is no growth funding for additional HECS places, despite the fact that Australian businesses are crying out for highly skilled professionals like engineers and scientists; there is no proper indexation for universities, despite this being the No. 1 issue for university vice-chancellors; there is no change to the government’s unfair funding system of giving the biggest funding increases to the best resourced schools around the country, which are in less need than others of funding support from government; there is no new recurrent funding to help the 70 per cent of school children who attend public schools; and there is no new funding to lift Australia’s research record, despite Australia dropping well below the OECD average in gross expenditure on research and development. Research and development now represent 1.54 per cent of GDP compared to the OECD average of 2.26 per cent. So on education we have what amounts to all spin, no spend.

I also want to talk about the impact of this budget on child care. I refer to a report provided to me by Ms Mary Crosdale of Anerley in my electorate. Ms Crosdale is a professional architect with an eight-month-old child. She is trying to return to the work force to ensure her continuing professional status as an architect, but she cannot because there are no child-care places available for her child for at least 12 months. In April, Ms Crosdale wrote to me:

There are simply no childcare places available for at least 12 months and I am around 60th on the waiting lists of a number of childcare centres in your electorate.

People are on waiting lists for childcare when they are two months pregnant. It is insane. I don’t mind working from home, as well as ‘working’ at bringing up my child and hopefully children, but my registration as an architect can only continue if I can prove my continued employment, hence the dilemma.

How does this budget help parents like Mary Crosdale with child care? The short answer is that it does not. The bill we are debating today contains absolutely no new funding for long day care and does nothing to ease the shortage of care for under fives in most parts of Australia. It provides 84,300 new out of school hours care places—that is, before and after school care—but most places will not be available until 2008. Almost half the entire funds allocated for the new places—$118 million—are not available until 2008-09. As for those 84,300 new out of school hours care places, they leave to one side the waiting list, which is huge, for those places yet to be allocated.

The budget provides no money for the JET child-care program—the program that pays the cost of child care for eligible unemployed people, including sole mothers—and reduces eligibility for parents who are studying. JET child care will now only be available to those studying for less than 12 months, which knocks out parents wanting to be hairdressers, mechanics, social workers and the like. There are 7,000 children between the ages of one month and four years in my electorate. This budget dismally fails those children, their parents and their carers.

Finally, I wish to address aged care, because we owe it to the aged and frail in our community to provide for their wellbeing.
Unfortunately, the budget again ignores the ongoing skills shortages and funding inequities in the aged care sector. It has failed to invest in training and retention measures for aged care nurses and personal carers, meaning that many older Australians and Australians with disabilities will continue to miss out on essential services. It does nothing to address the systemic problems associated with the allocation of aged care places. Community care, the principal form of care for older Australians, has not received the investment it requires. Although the government has increased the ratio of community care packages in last year’s budget, it is not keeping up with demand. This budget is a missed opportunity for community care.

There is a national shortage of over 10,000 residential aged care beds, and there are over 17,000 phantom beds, according to the latest figures available. In last year’s budget the government actually decreased the ratio of residential aged care places, further lengthening long waiting lists. These needs are felt most acutely in my electorate on Brisbane’s Southside, where there are a number of aged care institutions caring for our local frail aged.

I began by saying that this was a budget without vision. I conclude by saying it is a budget without heart. My remarks have barely touched on the changes that have been made to the disability support pension and the parenting payment. It is a budget which reflects the increasing arrogance of a government on the verge of unbridled control of the Senate, the parliament and the nation. It is time this budget was opposed.

Mr BAIRD (Cook) (6.49 pm)—It is my pleasure to support this budget and the Appropriation Bill (No. 1) 2005-2006 and related bills tonight. What we have in this budget is a clear illustration of the difference between Labor and this side of the House—despite the protestations of the member for Griffith. This budget provides tax incentives for those in the workplace and incentives for people to return to the work force. It also provides a fund for the future which will address the demographic challenges that we have within our community. Bringing those three elements together provides the basis—and why? This budget has been approved of by many economic commentators around the country.

There are very few commentators who would actually say: ‘The opposition is on the right track. Let’s go with Mr Beazley. He seems to have the right idea.’ The member for Hunter, who is in the chamber at the moment, would have a fair idea from his constituents, who would all be saying to him: ‘Give us the tax cuts. Don’t delay; we want them as of 1 July,’ because no one is supporting the opposition’s call for a delay in delivering these tax cuts. Certainly, the commentators are clearly in favour of this budget. JP Morgan said:

The Treasurer seems to have delivered. The Budget not only delivered much-needed reform to welfare arrangements, but delivered unexpectedly large personal income tax cuts for higher income earners. Mr Costello even managed to pull two rabbits out of his hat in the form of unexpected tax cuts for low income earners too—you would not think so listening to the opposition—and the abolition of the unpopular 15% superannuation surcharge tax.

An editorial in the Australian said:

Apart from his first, which required big spending cuts to drag back a $10.3 billion deficit,—created by Labor—this is Peter Costello’s best budget.

But by boosting growth now—through wide-ranging tax cuts and measures to ease welfare recipients back into the workforce—the Treasurer
has begun to rise to the challenges he outlined in the Intergenerational Report he released with the 2002 budget.

The Australian goes on to say:
This budget does not have all the answers, but it has more in common with the spirit of the reforms that have brought us nearly 14 years of growth.

Wouldn’t you think that the opposition would support it and say, ‘Well done, this is a great achievement,’ because internationally it has certainly received that type of recognition and award? The Australian adds:
But it also tackles one of our most intractable problems, the gradual emergence of a welfare-passive underclass, by requiring work of all those who are capable of it but offering generous assistance in making the transition. It is a cautious document that takes the middle way on reform from a Government that has made—
this so important. The Australian said on 12 May:
Tax cuts reaped most of the headlines, but arguably the most important measures in Peter Costello’s 10th budget are those designed to help about 190,000 people move from welfare to work over the next three years.

Opposition leader Kim Beazley should reconsider both the politics and the principle of opposing these measures. He won’t get any traction, because Australians have got the message that in future more retirees are going to be asking fewer workers to support them.

And the Sydney Morning Herald said:
After a Coalition Senate majority blocked Labor’s budget in 1975 it became a Labor mantra that an elected government has the right to have its money bills passed by Parliament without amendment.

It concludes its editorial by saying:
Mr Beazley has taken aim at the budget and blown a neat hole in his own well-polished toe-cap.

I hope it is well polished but he certainly has a bullet hole in it. It is an amazing budget, given the promises from the other side of the House. They talk about tax cuts but of course theirs would not start until 1 July 2006. I am sure it would go down well for the member for Hunter, when he goes out and sees all those miners, to say, ‘Look, guys, don’t worry—I have a plan for you. We won’t give you a tax cut this year but you just wait until 1 July 2006 and sign up for the plan that we are going to implement.’ Those opposite know it is a nonsense and it has no credibility. More than that, you would need to wait until 2008 for their welfare to work bonus to come into place.

Mr Fitzgibbon—That is not right either. You are wrong on both counts.

Mr BAIRD—I am just quoting what you say in your own press release and what was in the Leader of the Opposition’s speech—we were all here and we all heard it. So as for credibility, this side of the House has the runs on the board.

Recently in a visit to the USA it was made clear to me, from talking to economists there, how highly regarded the Australian economy is, with plaudits received for the fiscal management of this economy and the surplus budgets that are achieved. The generally high regard that was achieved throughout the American market is important to recognise. Of course the years of Labor when they racked up $96 billion in deficits and debt was one of the reasons they were held in such poor regard.

In this particular budget we have a cash surplus of $8.9 billion. It is the eighth surplus budget. The GDP growth is expected to be three per cent in 2005-06, after passing through a more modest phase in 2004-05. The unemployment rate is expected to remain near its 28-year low. In fact, the unemployment rate of about 5.1 per cent is an ex-
ample of the historically low levels the government has achieved. We can go further by noting our new legislation and announcements as to our industrial relations reforms removing a provision that we know the member for Hunter, as has often been repeated, is in favour of—the unfair dismissal requirements. In my electorate the unemployment rate is 2.5 per cent, so certainly the people of Cook understand the rewards of electing this coalition government. Real incomes have grown at 14 per cent under this government while under those 13 sad years of Labor they grew by only 1.3 per cent. We have shown ourselves to be the real friend of the workers, as has been said in this House quite often.

Mr Pyne—You are a friend of the worker, Bruce, unlike these guys opposite.

Mr BAIRD—I am a real friend of the workers. In fact, the respect which the average worker in my electorate has for this government is shown in Kurnell, which is regarded as your average working man’s suburb. Polling booths in that area are the ones in which I received the greatest swing. It was over eight per cent. That shows that the average working man and woman in my electorate knows that we deliver for them—unemployment is low, their real income has gone up, interest rates are kept low and the economy is growing.

Mr Pyne—You are the worker’s friend, Bruce.

The DEPUTY SPEAKER (Mr Hatton)—The member for Sturt is not assisting the member for Cook.

Mr BAIRD—I am glad the member for Sturt recognises that. Tax incentives is one of the key pillars of this budget. I am sure those on the other side were all shocked and horrified; they probably all huddled together and said, ‘What are we going to do now? We weren’t anticipating the tax cuts. We thought it would be a quiet year, the first year after an election, and then boom, out it came!’ They are envious of these big tax cuts. They did not know what to do. At first they said they were going to oppose them and then they came in and said, ‘We’ve got our own scheme. We’re not going to give it to you straightaway. We’ll give it to you sometime.’ Of course they know their scheme is never going to become reality. There are personal tax cuts worth $21.7 billion, which add to the $14.7 billion that the people of Australia received in last year’s budget. The $21,600 threshold will be cut to 15c in the dollar and the 42 per cent tax threshold will increase from $58,000 to $63,000 on 1 July and go to $70,000 on 1 July 2006. Of course we know that the 47 per cent threshold will go to $95,000 and then to $125,000. All of these people are your average tradespeople earning overtime. They have been constantly going to a higher tax threshold and paying these excessive tax rates. It is somewhat ironic: the opposition keep on saying we are a highly taxed country and they quote the figures, yet when we actually do address that in a significant way, with $21.7 billion worth of tax cuts, they say, ‘You’re looking after your mates. It’s too much.’

Mr Fitzgibbon—It’s 27 per cent of GDP now!

Mr BAIRD—Then why did you not support the tax cuts straightaway? From one side of your mouth you say, ‘It’s too much,’ and from the other side you say, ‘We can’t support this.’ I was speaking to someone who earns $60,000 a year. He said; ‘This tax cut is going to mean $1,000 extra in my pocket. People around me on $50,000 or $60,000 a year think it is great.’ There is all this talk about middle-income earners, but these are the people who are saying it is terrific. These are the people who are coming up to me in my electorate and saying: ‘Well done. This is
what we want to see—real tax reform, real changes, real incentives.’

Senior Australians are also being cared for in terms of the threshold. The Australian tax offset will go up to $21,968 and up to $36,494 for a couple—a real incentive for senior Australians. Then we come to another key plank of this provision, the superannuation surcharge, which was introduced in 1996 to cope with the $96 billion deficit left by Labor. It was brought in on a temporary basis but, of course, when we wanted to bring it down, it was totally opposed by Labor in the Senate. Now we will have complete abolition of this surcharge, which is going to be a real incentive, a real induce ment, for people to put money into superannuation to prepare for their retirement and ensure that they are not relying on the government for a pension. Then we have business tax cuts. The three per cent tariff will be removed on imported business inputs which do not have a substitute manufactured in Australia. It was a nonsense provision, it was costing Australian manufacturers and businesses $1.3 billion and it has been removed. Of course, Australian business is very pleased about that.

One of the key things is welfare to work. This is certainly an area we need to consider. Many people under 65 are not in the work force. Many people are looking for work on newstart. Many people when they reach working age are receiving their income without an obligation to look for work. The number of people on unemployment benefits is reducing; they find it is easier to be on the disability pension, because they do not have to make any effort to find a job. With 6.5 per cent of the work force on a disability pension, and with the number of disability pension recipients growing by around 21 per cent in the five years to June 2004, we have to say, ‘What is going on here?’ Clearly there has been a substitution of people on unemployment benefits. The pressure has been on them to go out and find a job, and suddenly they are on a disability support pension.

About 4.3 per cent of the work force are single parents, and the number of single parent pension recipients has increased by around 18 per cent in the five years to June 2004. People who are truly unable to work no doubt deserve our support, but those who are capable of working should be encouraged to look for work. From 1 July 2006 those on parenting payment will be expected to look for at least part-time work when their youngest child turns six and is ready for school. There will be a massive increase in outside school hours child care to assist those parents. Those who are currently on parenting payment will keep it, but after 1 July new recipients will move to newstart.

The eligibility changes for the disability support pension. After 1 July 2006, those capable of working for more than 15 hours a week will no longer be entitled to a disability support pension. The aim is to protect the genuinely disabled and to encourage those capable of part-time work to look for it. The largest category of disability is musculoskeletal injury—the ‘bad backs’. In order to assist people to look for work, rehabilitation places will be increased by 41,700. More than $2 billion will be spent on these services over the next four years. In the longer term it will make the economy significantly stronger.

One of our problems is that in the future we are going to have proportionally fewer people of working age—under 65—than people of retirement age. It is a challenge. The forecast is that by the year 2040 we will have the same number of people in the work force but we will have more than twice the number of retired people. So how do we approach this? Do we go down the United States route, which is not to consider the
challenge that lies ahead? During my time in Washington recently, it was outlined to me that the tax take is currently 15 per cent and that in 2030 social security payments alone—Medicare, Medicaid payments—will represent some 22 per cent of total GDP. Where does the difference come from? This government is encouraging people to go out and work, through the various incentives such as after-school care, disability payments and rehabilitation services, and through the future fund, which is the significant thing this government has introduced.

A succession of budget surpluses will allow us to retire the $96 billion debt we had when we came to office. It will also allow us to meet the cost of an ageing population. It will begin to fund the liabilities already incurred but for which provision has not yet been made. It will address our liability for public servants’ superannuation, and it will also provide a fund through which the government will be able to invest in various infrastructure projects. The legislation will be crafted in such a way that no government will be able to draw money out of the fund until there is sufficient to meet all unfunded liabilities. An example for the future fund is provided by some of the Scandinavian countries. Unless we take this action, we will in the future face the same challenge as the United States currently faces. The various think tanks in Washington say this is one of the biggest challenges that needs to be addressed. We have addressed this issue, and I am sure that people on both sides of the House will in future say that this was a significant step forward. There are three key planks addressed in this budget: taxation incentives, including removal of the additional superannuation levy; the establishment of the future fund; and encouraging people to return to the work force. This is not only about getting people back into full-time work; with parenting payments, the number who go into part-time work will be significant.

There are many other significant areas in the budget. There is a further $1.2 billion for AusLink. In terms of Australia’s international engagement, there is $1 billion assistance to economic and humanitarian rehabilitation in Indonesia. There are funds for the tsunami warning system, and national security gets $522 million for protective services. There are an extra 4,500 pre-vocational training places for people interested in a career in a traditional trade, an additional 7,000 school based new apprenticeships and 24 Australian technical colleges for 7,200 years 11 and 12 students. There is an increase in the skilled migration intake by 20,000 places.

There are also issues in the health area. I know the member for Sturt is particularly interested in assistance for cancer research. There is assistance for a program to discourage young people from continuing to smoke and to not be involved in smoking. There is the $32.1 million dementia package. I am sure that all members in this House would have constituents who come to them concerned about elderly parents who cannot get placement in nursing homes in their area. This package shows compassion, as in the cancer package, provides technical training assistance and meets our international obligations of increased aid, and it has three basic pillars: a significant reduction in tax, assistance to get people back to work and the establishment of the future fund. This is a well-crafted budget, highly commended by economists. I commend it to the House. (Time expired)

Mr GAVAN O’CONNOR (Corio) (7.10 pm)—I have heard it all. When the Honourable member for Cook comes in here talking about this Tory government having compassion then it is time we all packed our bags and went home. I have great pleasure in
speaking on the government’s Appropriation Bill (No. 1) 2004-2005 and related bills today as this is one of the most unfair budgets that I have seen delivered in this parliament. Just when I thought this arrogant Prime Minister and his smirking Treasurer could not possibly plumb any lower depths of cynicism and bald hypocrisy they have proved me wrong again. The budget brought down by the Treasurer is about as cynical an exercise as you could ever witness and one that only a deceptive and manipulative Tory could construct. Its centrepiece is tax cuts that the government is attempting to masquerade as tax reform.

The unprecedented budget surplus generated by strong growth in the world economy and a literal boom in key commodity prices for this country presented the Howard government with a golden opportunity to nation build and invest in things that would underpin the future prosperity of my electorate and indeed Australian overall. What the Howard government delivered was a missed opportunity to address some very important short-comings in the economy that, according to economic experts and key economic reports delivered by the OECD and others, threaten Australia’s competitive position over the long term.

There was very little in this budget to address with any sense of urgency the infrastructure bottlenecks that have developed in our economy over the past 10 years. There was very little in this budget to address in any coordinated way the skills shortages that have developed under the policies of the Howard government and which threaten our productivity over the longer term. Indeed, the government’s response to the latter is to use the immigration program to address a problem of its own creation rather than recruit and train Australians to acquire the necessary skills that this economy needs.

What we did get, however, was a massive tax cut heavily skewed to high-income earners, with ordinary families on low and middle incomes receiving a tax cut that would hardly buy them a pie or a can of lemonade at the MCG on any given Saturday. That is the crux of the tax cuts that the government delivered. On any given Saturday in Melbourne the tax cuts delivered by John Howard and Peter Costello would not buy you a pie and a can of lemonade. When the honourable member for Lingiari goes to the footy he likes a little bit more than a pie and sauce. I am sorry, member for Lingiari, you miss out—oh, no, you do not miss out; you get a tax cut of over $4,000.

Mr Snowdon—Caviar and champagne!

Mr GAVAN O'CONNOR—Caviar and champagne. You will be up in the corporate box—no, you will not be up in the corporate box; you are always on the outer with us members. But I know where the honourable member for Cook will be. He will be up in the corporate box with his $4,000 tax cut that he got from the Prime Minister, swilling on caviar and champagne, pretending to watch the match as they talk over how they are next going to drive the boot into pensioners and working people. We know where you come from in all of this, so do not get up here and talk about compassion for working people. Do not get up here in this House and pretend that you are the ones that represent the real interests of working people because day after day in this House the Prime Minister gets up and misrepresents the statistics on the issue of real wages for working Australians.

In his budget reply speech, the Leader of the Opposition outlined an alternative tax plan that would have instituted some genuine reforms of the taxation system and would have given some meaningful relief for hard-pressed low- and middle-income families throughout the nation and in the Corio elec-
The Leader of the Opposition also outlined infrastructure proposals and initiatives in the skills formation area that would have gone some way to addressing the chronic problems that we now face in the Australian economy.

I am wondering why the government, when presented with an enormous opportunity generated by the surplus on the budget, did not address the problems that it has created for the Australian economy in the infrastructure and skills areas. It did not do so for a very important reason: the Treasurer wanted to play politics with the surplus to bolster the numbers on the Liberal backbench for the challenge that may or may not come to John Howard for the Liberal leadership.

We on this side of the House know that cynical political exercise that we saw in the budget. We have seen it before. The government, at the front end of the political cycle, pays off the top end of town constituency with significant tax cuts. Then, of course, it hoards the surplus and before an election releases the goodies to buy some votes at the next election. It has done it time after time. Meanwhile, families in the electorate of Corio—struggling families on low and middle incomes—have had to put up with mortgage increases after interest rate rises and with an increase in private health insurance premiums courtesy of this Treasurer—and in the electorate of Corio over 50 per cent of electors have some form of private health insurance. They had to put up with no tax cut in the previous budget and here in this budget we have the Treasurer insulting them with a minimal tax cut that he portrays as being something of substance. We know where the government is in the political cycle. We know that it is delivering to its supporters at the top end of town early in the cycle so that later it can attempt to buy votes again with the budget surplus. Meanwhile, struggling families in the electorate of Corio suffer. They suffer because of what the Treasurer has failed to do in this budget—that is, to deliver some meaningful reform and some meaningful tax cuts to them.

The government has squandered a golden opportunity to secure our future. As I have said, this is a budget that is basically framed to bolster the political fortunes of the Treasurer with the backbench. This budget fails to put downward pressure on interest rates and inflation. It is a consumption based budget rather than one that invests in our future. It is a very, very risky budget. Australia should be experiencing the full benefits of a growth global economy and the best terms of trade we have had in 30 years. We have experienced an extraordinary set of economic circumstances that has nothing to do with this government’s economic performance, and I will mention them. We have seen the benefits of a growth oriented global economy that has delivered high growth rates in key economies that consume the outputs of the Australian economy and we have seen the best terms of trade that we have had in some 30 years, which had nothing much to do with the policies of the government.

Despite these economic parameters shining on Australia at this time, last year we managed to engineer an economic growth rate of only two per cent, and the predictions this year are between two and three per cent. Despite those favourable external economic circumstances, we have seen a continuance of the poor export performance of the Australian economy and a spiralling of our external debt. So point No. 1 in this debate should be that the Howard government, despite the external economic parameters working to Australia’s benefit, has squandered the economic legacy left to it by Labor. You have squandered it. We left you with four years of four per cent growth.
Mr Pyne interjecting—

Mr GAVAN O’CONNOR—Even the Parliamentary Secretary to the Minister for Health and Ageing, who has I would imagine been termed an economic imbecile in these debates in the past—I would not dare use those words again, Mr Deputy Speaker—with his limited understanding of economics, ought to be able to comprehend that when Labor leaves you four years of four per cent growth you should be able to maintain it, especially when the economic parameters are flowing Australia’s way. And you have not been able to do that. Of course, we have seen a spiralling of Liberal debt.

Mr Pyne interjecting—

Mr GAVAN O’CONNOR—I will never take anything that the honourable parliamentary secretary says in an economic sense as being accurate at all, but I do listen to the Treasurer—the Prince Charles of Australian politics. I do listen to his economic analysis from time to time. I can recall when the Treasurer was in opposition that he took the level of household debt and the level of external debt, wrapped them together, divided them by the Australian population and came up with a figure that said that for every man, woman and child in this country there was around $10,000 worth of Labor debt.

Let me apply the same analysis that the Treasurer used. When we lump the level of household debt with the level of external debt, we find that debt levels under the Liberal Party have doubled according to the Treasurer’s criteria.

Mr Snowdon—No pie!

Mr GAVAN O’CONNOR—You would not want to borrow to buy the meat pie and the can of lemonade at the footy. You cannot get it with your six bucks and you would not want to put it on the credit card. According to the Treasurer’s own analysis, Liberal debt in this country has doubled. Not only are you the highest taxing government in Australia’s history, you are the one that is recorded—according to Treasurer Costello’s analysis—as having the highest level of debt per person that this country has ever seen. What an extraordinary achievement for a government that was left an economic legacy that any government would be proud to leave. We broke the back of Liberal inflation, bringing it down from around 11 per cent to two per cent. That underpinned the low interest rates that you claim credit for. The foundation for that was laid when we broke the back of Liberal inflation. Of course, when we look at the current export performance of this country we see you are in the ‘hopeless’ category.

I am giving you an economic analysis here—a backdrop to the budget that was just brought down. I make the point that you are the highest taxing government that Australia has ever seen—a Liberal government. You have the highest level of Liberal debt we have seen in this country and you have squandered the growth legacy that Labor left you. I do not want to labour that particular point but I think it is worth stating in this debate because—despite extraordinary growth rates, despite global growth rates, despite the commodities boom and despite the best terms of trade we have had in many years—you have failed to deliver on the growth front.

I want to make some comments about the budget as it relates to my constituency and the rural sector. Most of my constituents would be categorised as low- and middle-income earners—and they did not fare well at all in this budget, compared to the high-income earners in this place. We ought to put on the public record the fact that when the Treasurer announced his massive tax breaks for high-income earners, the Liberal and National party members cheered—and why wouldn’t they cheer, because their pockets
were being lined at the expense of my constituents.

I note that in the 2001 document produced by the Parliamentary Library of electoral divisions ranked by poverty rates, Corio ranks in about the middle with a poverty rank of 9.5 per cent. That shows that there is quite a significant degree of poverty in my electorate. How was poverty in my electorate addressed in this budget? Most of my constituents did not even rate much at all in the tax cut stakes, according to the Treasurer. In this table the top 20 electorates in Australia have poverty levels ranging from 12.5 to 15.1 per cent. Ten of those 20 are National Party seats. Why did the National Party come in here, support the budget measures and turn their backs on their constituencies and high levels of poverty in their electorates? Going to the farming sector, we hear much in this place about the Prime Minister’s great love of the land. We know he pulls the Akubra on every now and then and goes for a walk in the outback. He kicks the dust around, talks about the drought and then fails to deliver on time to farmers. But then he delivers a budget with tax cuts that really do not assist hard-pressed farmers at all, because most farmers in Australia do not earn incomes that qualify for the large tax cuts delivered in this budget.

Labor put a series of proposals to this House in the budget in reply. I would like to reiterate some of those proposals in this debate. We put a plan to this House and to the Australian people that would deliver an extra $12 a week to everyone earning between $25,000 and $75,000. That is double what the government is offering, and that proposal would cost about the same as the $24 billion that the government has put on the table. The simple reality is that the tax cuts offered by the government give people earning over $125,000 a year 10 times the tax cuts that it delivers to people earning less than $50,000? Hardworking Australian families will get a measly tax cut of only $6 a week—not even a pie and a can of lemonade at the MCG on any given Saturday. However, Prime Minister John Howard, his backbenchers and high-income earners throughout Australia get a tax cut of $65.

Australians now are paying more for their health care. People in Geelong are paying more for their education. People in my electorate of Corio are paying more for their petrol. They are now paying more for their mortgages—all with a budget surplus and the Treasurer with his hands in their pockets. The biggest taxing Liberal Treasurer in Australia’s history can only deliver low- and medium-income earners a measly $6 a week. It tells you what this government is all about: it is a government for the big end of town; it is not a government for ordinary working Australians. Do not insult ordinary Australians by claiming that you defend battling families. (Time expired)

Mr LINDSAY (Herbert) (7.30 pm)—Before I begin my contribution, I would like to draw the attention of the House to a visitor in the gallery this evening. He is Mr Chris Jacobson, one of Australia’s leading up and coming young architects. He did his degree in Tasmania. He has done some very good work, particularly in relation to heritage matters in Tasmania; and he has now moved to Canberra. I guess my message is that if anyone wants a very good architect, Chris Jacobson is your young man. He has the ideas. It is great to see him here tonight.

Ms Julie Bishop—And now to the bill.
Mr LINDSAY—To return to the Appropriation Bill (No. 1) 2005-2006 and related bills debate now—

The DEPUTY SPEAKER (Hon. BK Bishop)—I am pleased that the honourable member realises that this is a debate on the appropriation bills and that he may deviate from the subject matter.

Mr LINDSAY—Thank you, Madam Deputy Speaker, particularly when it is my son-in-law and daughter—welcome too, Kylie—sitting in the gallery.

The budget was extraordinarily well received in Herbert. Many members around the country have found that this has been the case. Indeed, Labor Party members in regional Australia have welcomed the government’s contribution. They have welcomed the government’s policies and the government’s direction in the budget that was so ably delivered under the stewardship of Treasurer Peter Costello. Peter Costello will go down in the nation’s history as being one of the great treasurers. Certainly this budget was no exception.

I hear the contribution of members of the Labor Party on what they think of the budget, but it is really old hat. It is what the Labor Party have been saying for decades. They do not look ahead. They do not understand how the new Australia in the 21st century is operating. The member for Corio told the House very passionately that people on earnings of $125,000 received a tax cut that was 10 times that of low-income earners. But there is another way of putting it and that is that people on an income of $10,000 get a 20 per cent tax cut and people on $100,000 only get an eight per cent tax cut. That is equally true, because people on higher incomes simply pay more tax. The Labor Party do not seem to understand or recognise that.

The other thing that those opposite refuse to recognise is that a single income family with two kids on $40,000 pays no net tax at all. That is a pretty good achievement of a government, where support through both the tax system and the transfer system can result in a single income family with two kids on $40,000 not paying any net tax at all. It is a proud achievement of the Howard government that we have been able to manage that.

In relation to tax cuts in particular, the government will provide personal tax cuts worth $21.7 billion over four years, increasing incentives to work and save, assisting low-income earners and keeping Australia internationally competitive. However, there is a dark side to the tax cuts that the government wishes to deliver to all Australians on 1 July this year—only 31 days away—and that is it is not certain we will be able to deliver those tax cuts on 1 July. Why is that? The reason is that the Australian Labor Party have determined not to make a decision. Businesses need to load the new tax schedules into their payroll computers. In fact, the software developers need to be able to develop that software and get it out to all of the businesses. But we are not seeing any move from the Labor Party to say, ‘Yes, we will support the regulations that are needed to allow the tax commissioner to allow businesses to make the tax cuts from 1 July.’

Do you know why I think they are doing it, Madam Deputy Speaker Bishop? I think it is a political strategy. I think ultimately they will allow those tax cuts to be delivered on 1 July, but it is my bet it will be the last hour of the last day of the winter sittings when the Labor Party will pass those regulations, leaving business in Australia with the enormous pain of trying to implement those new tax scales into their payroll systems. That is really unfortunate. I know that the small businesses in Townsville and Thuringowa will be angry with the Labor Party. If those in the Labor Party think they are going to get some kind of political advantage out of this
they should think again, because they are standing in the way of tax cuts for all Australians on 1 July. I say to the Labor Party: please determine to make a decision and please talk to your caucus, get the caucus on side, because even your own members—and state premiers as well—are saying to you, ‘It is extraordinarily important for all Australians to get their promised tax cuts on the due date.’

In relation to Townsville and Thuringowa, we did super well out of the budget. I am very proud as the local member representing Australia’s largest tropical city—one that you, Madam Deputy Speaker, have visited many times and one where the people of Townsville and Thuringowa remember the compassion that you showed; you know what I am talking about, Madam Deputy Speaker—that we have done very well in the budget.

Let me list some of the things I fought for and that were delivered in this budget. Under the Commonwealth Environment Research Facilities program we received $40 million to make sure that much-needed research on reef and rainforest continues. That will be based at James Cook University. Also, James Cook University was allocated $25 million so that next year we can start Australia’s newest veterinary science school. It will be a veterinary science school with a difference because it will look particularly at exotic diseases in the tropics and at diseases that flow from animals to humans. There are already some pretty concerning things going on at Cape York, and James Cook University will be able to look at those. We will also establish a new degree in tropical agricultural science, again entirely relevant to the work of James Cook University in Northern Australia—but more on that later.

There is $32 million for a landmark national water initiative in relation to future proofing our water supply so that if our main source of supply is ever polluted—and there are some ways that can happen—or if the dam fails, Townsville and Thuringowa will always be assured of a water supply from the Burdekin Dam through a new treatment plant. That is a great initiative for our city. We are seeing some cities in the Commonwealth suffering tremendous water shortages right now. Sydney is one, and I believe new water restrictions are to be announced tomorrow. But our city will be future proofed because we will be connected to the Burdekin Dam, which has a water resource that is 16 times the volume of Sydney Harbour. You cannot get better future proofed than that.

Also, $40 million will be provided for Townsville’s ring-road. When I fought for, and won, the money for the Douglas arterial road, I could see that we should continue that particular project and connect the Douglas arterial through to the Northern Highway. We have done that with $40 million announced in the budget for that project. And there is more road funding. We all know that in regional Australia road funding is very important. Remember, I am talking just about local projects not about the national road funding that will go on top of this in the Roads to Recovery and black spot funding. We have $80 million to flood proof the Bruce Highway in the Tully region, and our community very much welcomed that. I know that the member for Leichhardt was also very pleased to see that money. There is $6 million for the Great Green Way tourism project, in which we have Townsville and Cairns working together for the first time in a long time to do good works in relation to promoting not only Townsville and Cairns cooperatively but all the region between the two cities.

Madam Deputy Speaker, you will understand the importance of the next announcement, which is that $175 million will be pro-
vided to complete stage 4 of the redevelopment of Lavarack Barracks. You will know that we are just completing stage 3. We decided to bring forward stage 4 to keep the continuity of work but also to make sure that Lavarack Barracks is the most modern Army base in Australia, and we will achieve that. It also underpins the importance that the government, the Department of Defence and our commanders place on having Australia’s largest Army base located in Townsville—after all, virtually all of Australia’s overseas deployments in the last 20 years have gone out of Townsville. It is a great feather in the cap of our city, and that is of course why we are known and will continue to be known as the garrison city. I know that Brigadier Mick Slater and his people at 3rd Brigade and the commanders at 4 Field Regiment, 3/4 Cav. Regiment and 3CER will be very pleased with the expenditure of $175 million. I am pleased to tell the parliament that on Saturday the tender was called in the Weekend Australian to appoint the head contractor. So we are full steam ahead.

Finally, I am very pleased to announce $6 million from the budget was allocated for the Thuringowa City Council Riverway project to develop the home of Australia’s next one day cricket facility. We will be doing that, and it will be the Bellerive Oval of Townsville. That is terrific, and I know that the Thuringowa Council is very pleased. We are seeing some very important projects being built through this year’s budget.

I will turn to a bit of philosophy now, if I may. I have articulated to the parliament all of these projects, those that have gone before and those that will come. Our city has done very well from the federal government. It has not done quite as well from the state government. I know that the residents of Townsville and Thuringowa look to the Beattie government and say: ‘Mr Beattie, you’re putting all of this money into the south-east part of the state. When’s it our turn?’ You see Mr Beattie announcing $55 billion in infrastructure for the south-east of the state—of course, $23 billion was federal money but he announced it as his. But in that plan there is nothing for the north. That is unacceptable. Our community was very unhappy to see the Beattie government placing an emphasis on the south-east corner and forgetting about the rest of Queensland. While I concede that the Beattie government has built a new hospital in Townsville and that it has built a new police station at Mundingburra, it has done precious little else; whereas all over the city you can see major capital works that have been completed with money from the federal government. You have only to look at RAAF Townsville to see the amount of money we have spent there—upwards of $140 million in the last three years. The city is going very well but it is due to the federal government spending money rather than the state government.

I would like to turn now to a concern that I have with the local government situation in Townsville. We have two cities: the City of Townsville and the City of Thuringowa. Thuringowa city always used to be the poor cousin of Townsville city. Townsville city has the larger council, with a ratepayer base about double that of Thuringowa. But community leaders in Townsville have noticed that, over the last one to two years, Thuringowa, under the leadership of Mayor Les Tyrrell and CEO Lyn Russell, has been consistently outperforming Townsville City Council. Townsville City Council has dropped the ball—there is no doubt about that. The customers of the council, particularly the business customers, tell me to a person that they get much better service from the Thuringowa council and that the staff are much easier to approach.

That is not to say anything about the staff of the Townsville City Council. They are
constrained by the policies of the council, and it is those policies that are holding Townsville city back. I am very disappointed to see that Townsville has basically gone backwards. Thuringowa council has a vision and it is articulating that vision. It is implementing that vision. It has a young leadership and it is going about its business servicing the ratepayers and its customers in a way that is raising eyebrows. Those who deal with the councils all the time will tell you that Thuringowa is head and shoulders above Townsville, and I think this is a wake-up call to Townsville city. I raise this issue principally because on the horizon is the dark cloud of amalgamation. There is a lot of concern about that in Townsville and Thuringowa. If there were to be amalgamation tomorrow I would oppose it, because Thuringowa would get swallowed up by the larger council, and the good service, the great policies and the vision of Thuringowa would be lost to a larger council that has lost its way. That would not be good for our community.

Turning to James Cook University, I pay a tribute to Professor Bernard Moulden and his leadership team. JCU is a university that has a vision. Its mission in the next 10 years is to become one of the top five tropical research universities in the world. I think that they are going to make top university the way they are going. Our new tropical science research precinct is well on track to be established. There are significant dollars available from the university and from CSIRO to establish this precinct, which will have a number of stakeholders. We now need a contribution, a commitment, from the state government. I think that is going to come. I think that Peter Beattie does realise that for the last several years he has put an awful lot of money into University of Queensland and now it is Townsville’s turn—now it is JCU’s turn. From talking to the Premier I think that he is going to come up with the dollars. We may see it in the state budget, we may see it in a later announcement when the government is talking about innovation—but we need to see it this year. I am quietly confident that, with the assistance of state government funding, we will be able to get the tropical science research precinct up and running, and from there there is no stopping James Cook University. It will become not the most significant regional university in the country; it will become a de facto sandstone university. When I see that happen I will certainly be very proud of my university and its leadership.

I would like to conclude my contribution tonight with a note on workplace reforms. I have been getting a fair bit of email and contact about this. Some constituents are nervous, and that is understandable. They are nervous because they are being fed lines that are wrong—just wrong. I want my constituents to know that the government’s changes to workplace laws will not cut wages. They will not abolish awards. They will not remove the right to join a union—Mr Combet, are you listening to that? They will not take away the right to strike. They will not outlaw union agreements. They will retain federal minimum wages and conditions. They will retain a role for the AIRC. They will retain collective union and non-union agreements and they will ensure a stronger inspection service.

The Prime Minister is right when he says that you can look at our record to see what we have done in industrial relations. We have increased real wages over 14 per cent. We have had the lowest unemployment rate in 30 years. We have got more than 1.6 million new jobs. Seven million Australians are in full-time work and we have got the lowest level of strikes ever. I think that the government rests its case, and people can look forward with confidence to new industrial laws.
Mr ALBANESE (Grayndler) (7.50 pm)—
There is a stark difference between the government and Labor in addressing Australia’s and the world’s most serious environmental issue—that is, of course, climate change. The Howard government argue that economic growth and protecting the environment are incompatible. The Howard government also argue that economic growth and taking strong clear steps to avoid dangerous climate change are incompatible. They argue that one comes at the cost of the other. This is not only old thinking; it is wrong in economics. Economic theory has always had a place for the environment, and good environmental practice has always made good economics. The challenge of economics and the environment is the same—to improve the quality of our life. Just as we are worse off when we lose our job, so too we are worse off when our water and land dry up.

The extended four-year drought gripping Australia is the most dramatic example of climate change to hit our nation. Today the government announced its drought package. It is extraordinary that just three weeks after the budget the government would announce such a considerable package as if there was not a drought in the middle of May. Last week it announced that there would be a $500 million package. Somehow $250 million got lost along the way. The government was out there leaking its position, but it could not deliver in the end.

Drought is a serious issue. Drought is a product of climate change. Drought does require short-term packages and alleviation for people on the land. But it also requires a long-term strategy to avoid dangerous climate change so that this is not a permanent feature of our landscape. As a result of changes to our climate caused by greenhouse gases, climatologists predict that Australia is going to get progressively drier over the coming century. Even with the best efforts of farmers, some productive land will become marginal and marginal land will turn barren. That must be avoided at all costs.

After four long years of drought, the Howard government has taken too long to address the devastating symptoms of climate change. Critically, the Howard government is even slower to wake up to the real causes of climate change. Just look at its record. The Prime Minister cannot stop saying no when it comes to taking action on climate change. He said no to the Kyoto protocol; he said no to greenhouse emissions trading; he said no to a higher renewable energy target; he said no to real cuts in greenhouse pollution. The recent abolition of the Australian Greenhouse Office, confirmed in this budget, symbolises the government’s lack of concern about climate change. John Howard’s refusal to engage with the realities of climate change means that greenhouse pollution continues to skyrocket. Confronted with the crisis of climate change, the Prime Minister has become the climate change anti-hero. As Arnold Glasow once said:

One of the true tests of leadership is the ability to recognise a problem before it becomes an emergency.

The Prime Minister has failed that test. In 1997 the Prime Minister proudly proclaimed that the Kyoto protocol was:

... a win for the environment and a win for Australian jobs.

The Prime Minister was right then and he is wrong now. Now he thinks Australia can act alone to address the most serious challenge facing the global community. Australia is one of only two industrialised countries which have not ratified Kyoto. Australia is the highest per capita emitter of damaging greenhouse gases in the world. The government does not seem to even understand the position.
When the Minister for Foreign Affairs was at the dispatch box the other day he spoke about the dangers of Labor wanting Australia to sign up to the Kyoto protocol. But the Kyoto protocol was signed; Senator Robert Hill signed it in 1997. The government signed the Kyoto protocol. What we say is that it should be ratified. While the Prime Minister recently acknowledged climate change was not a myth, he said the debate over climate change was a choice between the economy and the environment. Unbelievably, given the threat that climate change poses to our economy as well as our environment, the Prime Minister has cast our response to this threat in ideological terms. But this is not a debate about Right or Left. This is a debate about right and wrong. It is a debate about old ways or new paths. Pressured by vested interests, the Prime Minister has chosen the wrong path. Instead of seeing climate change as a first order issue, the Prime Minister has opted for second- or third-best policies to address this serious threat.

Climate change is real—it is hurting our economy, our communities and our environment right now. The debate over climate change is really about what kind of society we want to live in. It is not about blame; it is about solutions. We need to act because delaying is simply not an option. It is about what sorts of jobs we want in a decade and what sorts of jobs we want our children and grandchildren to have. The debate over climate change is about getting the Australian economy geared correctly so that we can encourage the innovation Australia needs for the future. The debate is about the future of rural Australia and about how our rural communities adapt to an even drier continent. It is about the smarter and more efficient use of precious resources such as water. It is about protecting the quality of our air, our food and our water. The debate over climate change is about getting the design of our new homes and buildings right. It is about making sure that our cities and our regional communities are sustainable. It is about land management and getting those practices right. It is about using new agricultural technologies and having new household appliances. And, of course, it is about managing the new industries that will service them all. The threat of a changing climate must make us look at how we use and apply our skills and technologies in the future. Do we apply our resources to industries that warm our world or do we use our capabilities to combat warming?

The Howard government is complacent over climate change. The abolition of the separate Australian Greenhouse Office exemplifies that. Now it will be incorporated as just another section in the Department of the Environment and Heritage along with the National Oceans Office. Just last week, the Minister for the Environment and Heritage released the 2003 greenhouse gas inventory. This is an annual stocktake of emissions for each major sector—for example, energy, transport, agriculture and land use. It confirmed that the only reason we are on track to meet our Kyoto target is the action taken by state Labor governments, in particular the Carr and Beattie governments, to stem land clearing. It also confirms that the Howard government is doing nothing to control our soaring energy and transport emissions. The key findings from that inventory were that emissions from land use change and forestry fell by 26.8 per cent between 2002 and 2003, emissions from stationary energy rose by 37.2 per cent between 1990 and 2003, and transport emissions rose by 28.8 per cent between 1990 and 2003. While net greenhouse emissions have only increased a small amount, this was due to the land and forestry policies of state governments.

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In reality, the figures confirm our worst fears—something that does not seem to be understood by ministers such as Minister Downer or others on that side of the House. Greenhouse emissions continue to soar and there are no plans to fix the problem. It has been estimated by the Australian Greenhouse Office, a government body, that emissions will increase by 23 per cent by 2020. At a time when the world is setting itself targets of decreasing emissions by 50 or 60 per cent by 2050, and the minister for the environment in the Howard government has said that that is necessary, the actual projections show a massive increase over the next decade and a half.

This projected increase in emissions poses a serious health risk and a major environmental problem, yet it is under this scenario that the government has abolished the independent Greenhouse Office. This projected increase in emissions is happening while governments all over the world, such as the Blair Labour government in the UK, are setting those long-term targets. The recent Senate inquiry into the energy white paper concluded that the energy white paper would delay critical action on climate change for another 20 years. The Senate inquiry report shines a light on John Howard’s failure to act on climate change. The report says firstly that the energy white paper:

… is a blueprint for delay in reducing Australia’s greenhouse gas emissions and will be directly responsible for the high cost to future generations of Australians—environmentally and economically.

Secondly, it says that the white paper:

… fails to accept the evidence that global warming has already begun and therefore action to reduce emissions needs to be taken immediately …

And, thirdly, it says the paper lacks:

… an effective plan to cut greenhouse pollution, a long term target to boost renewable energy or a long term plan to control the spiralling pollution from the energy and transport sectors.

So the Howard legacy is increased emissions and the silencing of the voice which revealed this fact. That is the wrong way to go, but it is consistent with a government that is determined to silence independent voices on the environment. That is why it has made a massive attack on independent environmental organisations, the community based groups that hold government and opposition accountable—community based groups that we do not always agree with but which play an important role in civil society. The changes to the GVEHO program for voluntary organisations are about silencing that dissent, silencing that voice that communities have when it comes to environmental issues.

Labor’s approach is very different. We are committed to ratifying the Kyoto protocol, we are committed to introducing an emissions trading scheme and we are committed to developing a strong clean energy industry through a strong mandatory renewable energy target. We are also committed to changing the Environment Protection and Biodiversity Conservation Act to make sure there is a greenhouse trigger in there. It is an outrage that the government has not taken action on that, for the Kyoto protocol represents an important change in the attitudes of nations. It shows they are serious about addressing climate change. It is not perfect—no international agreement ever is—but it is an important step forward and, most importantly, it represents a global response to a global problem. Countries such as Canada, Japan, New Zealand and every country in Europe are adopting domestic measures to implement the Kyoto protocol. Countries like India and China have developed the necessary frameworks so that they can take advantage of clean development mechanisms under the protocol. Labor is committed to ensuring
Australia gets the economic benefits from cutting greenhouse emissions.

The Kyoto protocol is essentially a carrot and stick approach. The stick is that you have to meet your target; the carrot is that you get access to emissions trading and carbon credits. That is why the Treasurer took a proposal about emissions trading to the cabinet in August 2004, but it got knocked down by the narrow-minded Prime Minister. I say to the minister at the table, the Minister for Ageing, and to other Costello supporters: all power to you. It is about time that we consigned the Prime Minister to the past, where he is much more comfortable, because Kyoto is about the future. It harnesses the power of the market by putting a price on carbon. The carbon trading system will be worth billions of dollars in Europe alone. Doing the right thing by the environment makes economic sense.

The Chief Scientist advising the government, who also happens to be the chief technology officer at Rio Tinto, has stated that Australia needs to reduce its emissions by 50 per cent by the year 2050. This will mean a reduction of about 300 million tonnes of carbon dioxide emissions. At present, the market in carbon emissions puts the price per tonne at approximately $10. Greenhouse abatement in Australia is potentially a massive market. There will be a lot of economic activity and there will be huge opportunities if the policy settings are right.

Emissions trading is the best way to reduce CO₂ emissions because by using market based mechanisms as legal compliance tools we will achieve the outcome in the most efficient manner. Under a trading scheme, rather than saying you must reduce emissions and you must pay the cost to do so, you must reduce emissions but it is up to you if it is more effective in cost terms to buy or sell. It gives you much more flexibility. The biggest advantage is that emissions trading makes reducing emissions cheaper and, by doing so, makes the ability to act stronger. Carbon trading gives companies flexibility in meeting emissions targets, thus offering the most cost effective way for energy intensive industries to reduce emissions.

Potentially, an organisation in Australia such as the Sydney Futures Exchange could become a trading hub for the Asian region, bringing jobs and economic benefit to Australia. The plans of the Sydney Futures Exchange to operate as a carbon trading hub are on ice, waiting for the government to decide if Australia will join the lucrative market. I encourage those opposite to talk to an Australian insurance group such as AMP about what this system is and how the failure to ratify the Kyoto protocol means that there is a risk element there which will constrain investment in our economy.

Labor knows what it means to change the economy for the better. That is what the Hawke-Keating government did and what the current government is riding on the back of. The Hawke-Keating government reformed Australia to the nation’s long-term benefit. The economic challenge, however, never ends. It is like riding a bike: you need to keep pedalling or you will fall off. Just as the Hawke-Keating government got the price of capital and exchange right through financial deregulation, the entry of foreign banks and other economic reforms, so the next wave of productivity bonuses needs to get the price of our natural resources right—the price of water, carbon and timber right. The market will encourage appropriate outcomes; therefore, it will be good for the economy as well as for the environment.

Of course, we all know we have a massive problem with exports at the moment. BP, one of the world’s largest energy suppliers, improved its bottom line by $US650 million by
establishing and trialling an internal carbon trading market. According to the *BRW*, while the European renewable energy is booming, Australia is missing out on billions of dollars of investment because of the Howard government’s inertia. Australian companies such as Macquarie Bank are investing in massive renewable energy projects in Europe and Britain, but in Australia it is not happening.

In short, to sustain prosperity we must sustain the planet. A couple of weeks ago, I was fortunate to visit a new wave power facility, operated by EnergyTech at Port Kembla near Wollongong, with my colleagues the member for Throsby and the member for Cunningham. This is cutting edge technology, designed and operated in the Wollongong region. Given the right support by government and Australian industry, this could be a world beater and a major generator of Australian jobs and Australian export dollars.

The project funnels waves into a collector which causes air to rush through the chamber which in turn drives the turbine. Quite literally, it harnesses the power of the ocean to light up the city. At the moment, it is a demonstration project—a single device could power 2,000 homes without producing greenhouse emissions. EnergyTech reckons the wave energy project has export potential of up to $5 billion. If Australia ratified the protocol, Australian companies such as EnergyTech could export environmental technology to the region under the clean development mechanism; but they cannot do that. They are locked out of it because of the government’s refusal to sign the protocol.

Climate change will be a central factor in the quality of life of generations to come. Government failure on this issue highlights the strategic difference between the major political parties. Labor believes that good environmental practice has always made good economics. Good farmers know that and so do good policy makers. The challenge of economics and the environment is the same—to improve our living standards. Only Labor has the vision to deliver policies to avoid dangerous climate change and only Labor has the vision to deliver policies aimed at securing our long-term prosperity.

**Ms PLIBERSEK** (Sydney) (8.07 pm)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Sydney from moving forthwith:

That each Member of the Government be required to provide an explanation to the House of why they support cutting the incomes and living standards of the poorest and most vulnerable Australians, including cutting their welfare payments, increasing their marginal tax rates if they get work and failing to adequately fund training and childcare places to enable Australians to move from welfare to work.

Time and time again, we have 86 coalition members walking into this chamber and defending the most shocking and appallingly inequitable tax cuts. We have coalition members of parliament—

**Ms JULIE BISHOP** (Curtin—Minister for Ageing) (8.10 pm)—I move:

That the member be no longer heard.

The House divided. [8.15 pm]

(The Deputy Speaker—Hon. BK Bishop)

| Ayes | 77 |
| Noes | 54 |
| Majority | 23 |

AYES


Anderson, JD  Bailey, FE  Baker, M  Barresi, PA  Billson, BF  Broadbent, R  Cadman, AG  Ciobo, SM  Downer, AJG
Ms Livermore—This is not about incentive; it is about punishment. If you are disabled or a sole parent—

Ms Julie Bishop—I move that the member be no longer heard.

Mr Albanese—Madam Deputy Speaker, I rise on a point of order. You have failed to give the call to the member for Capricornia, the motion has not been seconded and you cannot gag someone before they have been given the call. I ask you to give her the call.

The DEPUTY SPEAKER (Hon. BK Bishop)—I uphold the point of order of the member for Grayndler and call the member for Capricornia.

Ms Livermore—This is not about incentive; it is about punishment. If you are a sole parent or disabled, this government will—

Ms Julie Bishop (Curtin—Minister for Ageing) (8.23 pm)—I move:

That the member be no longer heard.

A division having been called and the bells being rung—

Mr Neville—Madam Deputy Speaker, prior to the last division we could hear no sound whatsoever in this quadrant of the parliament, though we can now. Would you say something to the broadcast box.

The DEPUTY SPEAKER (Hon. BK Bishop)—I repeat: the question is that the member be no longer heard. Members must remain in their seat unless they are changing
their vote or they did not vote in the previous division, in which case they must report to the tellers.

The House divided. [8.26 pm]

(The Deputy Speaker—Hon. BK Bishop)

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AYES

Abbott, AJ  Anderson, JD
Andrews, KJ  Bailey, FE
Baird, BG  Baker, M
Baldwin, RC  Barresi, PA
Bartlett, KJ  Billson, BF
Bishop, JI  Broadbent, R
Brough, MT  Cadman, AG
Causley, IR  Ciobo, SM
Cobb, JK  Downer, AJG
Dutton, PC  Elson, KS
Eatsch, WG  Farmer, PF
Fawcett, DJ  Ferguson, MD
Forrest, JA *  Gambaro, T
Gash, J  Georgiou, P
Haase, BW  Hardgrave, GD
Hartsuyker, L  Henry, S
Hockey, JB  Hull, KE
Hunt, GA  Jensen, D
Johnson, MA  Keenan, M
Kelly, DM  Kelly, JM
Ley, SP  Lindsay, PJ
Lloyd, JE  Markus, L
May, MA  McArthur, S *
McGauran, PJ  Moylan, J E
Nelson, BJ  Neville, PC
Panopoulos, S  Pearce, CJ
Prosser, GD  Pyne, C
Randall, DJ  Richardson, K
Robb, A  Ruddock, PM
Schultz, A  Scott, BC
Secker, PD  Slipper, PN
Smith, ADH  Somilay, AM
Southcott, AJ  Stone, SN
Thompson, CP  Ticehurst, KV
Tollner, DW  Truss, WE
Tucely, CW  Turnbull, M
Vaile, MAJ  Vale, DS
Vasta, R  Wakelin, BH
Washer, MJ

NOES

Adams, DGH  Albanese, AN
Beazley, KC  Bevis, AR
Bird, S  Burke, AE
Burke, AS  Byrne, AM
Corcoran, AK  Crean, SF
Danby, M *  Edwards, GJ
Elliot, J  Ellis, AL
Ellis, K  Emerson, CA
Ferguson, LDT  Ferguson, MJ
Fitzgibbon, JA  Georganas, S
Gibbons, SW  Gillard, JE
Grierson, SJ  Griffin, AP
Hall, JG *  Hatton, MJ
Hayes, CP  Hoare, KJ
Irwin, J  Kerr, DJC
King, CF  Lawrence, CM
Livermore, KF  Macklin, JL
McClelland, RB  McMullan, RF
Melham, D  Murphy, J P
O’Connor, BP  O’Connor, GM
Owens, J  Pliibersek, T
Price, LRS  Quick, HV
Ripoll, BF  Sawford, RW
Sercombe, RCG  Smith, SF
Snowdon, WE  Swan, WM
Tanner, L  Thomson, KJ
Vamvakou, M  Wilkie, K

* denotes teller

Question agreed to.

The DEPUTY SPEAKER—I call the member for Riverina.

Ms Gillard—Madam Deputy Speaker, on a point of order: what has happened here is that the member for Sydney has moved for a suspension of standing orders and been gagged. That was the first division.

The DEPUTY SPEAKER—I am aware of that.

Ms Gillard—The member for Capricornia seconded it and was gagged. That was the second division. You must now put the motion that standing orders be suspended.

The DEPUTY SPEAKER—I thank the Manager of Opposition Business.

Original question put:
That the motion (Ms Plibersek’s) be agreed to.

The House divided. [8.32 pm]

(The Deputy Speaker—Hon. BK Bishop)

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Majority……… 22

AYES

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NOES

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Question negatived.

Mrs HULL (Riverina) (8.33 pm)—It is a great pleasure to be here this evening to speak about the Appropriation Bill (No. 1) 2005-2006 and related bills and how beneficial the recent budget handed down by the Treasurer has been to my electorate. But at the outset could I just correct something. The member for Grayndler came into this House this evening and misrepresented fact. He asserted that this government had released a $500 million package last week and had then reduced it this week. This is clearly untrue. The member for Grayndler clearly has asserted a mistruth in this House. No $500 million package was released by the government last week. So clearly the member for Grayndler has come into this House and asserted an untruth.
Mr Albanese—Madam Deputy Speaker Bishop, I rise on a point of order. The member for Riverina was in the chamber while I gave my speech, as you would recall.

The DEPUTY SPEAKER (Hon. BK Bishop)—What is the point of order?

Mr Albanese—If the member for Riverina is going to accuse me of misleading the House, she needs to do so by substantive motion. She cannot just stand up here after the event—

The DEPUTY SPEAKER—You have completed your point of order.

Mrs Hull—This package, as I have asserted quite clearly, was only released by the government today. No package that delivers these benefits to Australian farmers has been released previously by this government. At no stage have I heard of or seen a package released by this government to do with delivering drought support. Today, from the budget surplus—obviously this government has the ability to manage a budget so as to determine a surplus—we are able to respond to the exceptional circumstances of Australia’s farmers. No farmers are in greater exceptional circumstances than those of the Riverina. So it is with great relief that I welcome the additional drought support for drought affected farmers, announced at lunchtime by the Prime Minister, the Deputy Prime Minister and the Minister for Agriculture, Fisheries and Forestry, Warren Truss.

Currently, approximately 60 per cent of my electorate of Riverina is covered by Australian government drought declarations. An independent committee of farmers and agribusiness professionals, the National Rural Advisory Council, have deemed these areas to be experiencing a rare and severe drought event of the type that might be expected to occur only once in a generation. I welcome the fact that this package states that farmers who are receiving their second and third year of exceptional circumstances assistance will receive additional business support to help manage the drought. The rate of exceptional circumstances interest rate subsidy will increase from 50 per cent to 80 per cent of the interest payable on new and existing loans. This is on top of the exceptional circumstances interest rate subsidy assistance already provided through exceptional circumstances arrangements.

The Australian government will continue to meet 90 per cent of the cost of the exceptional circumstances interest rate subsidy and, with the changes announced to the exceptional circumstances relief payments—fully funded by this Commonwealth government—the coalition will continue to meet about 96 per cent of the cost of the exceptional circumstances relief program. We have also listened to calls to review the assets test for exceptional circumstances business support assistance. From today, the off-farm asset test for exceptional circumstances business support will be doubled, from $217,500 to $435,000 per farm business. This amount will be adjusted with the consumer price index. The change also recognises that many farms have different business structures and can be operated by more than one family member or partner.

This government will also relax the income test requirements for exceptional circumstances relief payments. From 1 July 2005, subject to the passing of legislation, farmers will benefit from a $10,000 supplement to the off-farm income test. This supplement will mean that more farmers will be eligible for exceptional circumstances relief payments and those receiving part exceptional circumstances relief payments will receive higher benefits. This measure will be subject to a review after 12 months. In addition, a $10 million round of Envirofund will be made available to provide cash grants of
up to $50,000 to individuals or groups to undertake on-farm environmental works.

Funding for the provision of counselling and farmer support services across the country will be increased. An additional one-off resource will be provided to assist our great Rural Financial Counselling Service in drought areas. Mr Peter Gerard-Smith, Mr Bill Thompson and Mr Tony Payton, of the Rural Financial Counselling Services, have provided exceptional service to those in need in my electorate. There are also counselling services in Centrelink and face-to-face social and emotional counselling services through community organisations. The CWA will be provided with $3 million to allow it to help meet immediate household needs of those producers and their families who may otherwise be unable to receive assistance or to conduct community based activities to assist local communities in drought affected areas. We are streamlining the exceptional circumstances rollover assessment initiative, a permanent exceptional circumstances feature for areas that potentially require a third year of assistance. All of those areas not recommended for an exceptional circumstances rollover extension in the past year will also be reviewed by the National Rural Advisory Council.

The package announced today is certainly significant and will be greatly welcomed in my electorate of Riverina. As I said, I believe no other area is suffering more than the farmers in the Riverina area. In the budget we were able to respond to these exceptional circumstances issues appropriately. There is a recognition on our side of the House that one week is a long time in farming. When it was recognised that perhaps there would not be an opportunity for a winter crop planting, this government swung into action immediately. Through good economic management over the past 10 years, the government was able to put in place additional drought assistance to help not just farmers affected but also small businesses and rural communities who are reliant on or completely depend upon income from farming families to keep villages and townships alive.

Many of our rural communities can only survive if our farmers survive on the land. Many questions are raised with me at different times about farming families receiving this support when other people might be in circumstances that would warrant support. The fact of the matter is that much of rural Australia is the ethos and the ethic of Australian people. That is where we really have our heritage. It is important to ensure that the Australian heritage continues long into the future, as it has done in the past. Thus it is very important to produce in this great land rather than to resort to importing all of our commodities from other nations. We must value our farmers for the role that they play not only in the GDP, not only in the return to the nation but in the return to our local communities.

As I speak on the budget and appropriation issues this evening, it gives me great pleasure to recognise just how much this government has achieved. I feel enormously proud to be part of this government and its strong economic management. I congratulate the Treasurer in the role that he has played over the years. Ten years ago the Australian government carried a net debt of $96 billion. By 30 June next year, the government will have reduced that net debt by $90 billion. We are paying off that Labor debt and we are already getting a benefit from that, because the interest on that debt had a significant impact on the bottom line. We are no longer paying that enormous interest every year on the huge debt that we inherited from the Australian Labor Party’s mismanagement of funds over its 13 years of government.
But the one issue aside from drought that I would like to raise this evening is my excitement over the family law changes, with the overhaul that has taken place and the funding that has been made available for family law initiatives in this budget. We have seen the most significant changes to the family law system in more than 30 years, and we will witness those changes. We have been fortunate that after the House of Representatives Standing Committee on Family and Community Affairs report titled Every picture tells a story the Attorney-General and the Minister for Family and Community Services recognised the value of this report and how it could change the face of parental separation in the Australian community from now and forever more. As I said, for 30 years there has not been any great meaningful change in family law. However, reforms have been funded in this budget.

This budget has committed $397.2 million over four years for a package of reforms to the family law system. Traditionally, I believe it takes governments far longer to respond to initiatives. Some reports that are tabled in this House never get any attention at all. However, I think the former committee on family and community affairs need to feel extremely proud of the valuable role they played in introducing and heralding these family law changes. As I said, for 30 years there has not been any great meaningful change in family law. However, reforms have been funded in this budget.

This budget has committed $397.2 million over four years for a package of reforms to the family law system. Traditionally, I believe it takes governments far longer to respond to initiatives. Some reports that are tabled in this House never get any attention at all. However, I think the former committee on family and community affairs need to feel extremely proud of the valuable role they played in introducing and heralding these family law changes. As I said, for 30 years there has not been any great meaningful change in family law. However, reforms have been funded in this budget.

We also see in some of those key budget points that the services will be accessible to rural, regional and Indigenous communities. The centres will provide a range of information and referral to services to help prevent family separation or to help deal with separation if it happens. Early intervention is very important in restoring some control to families of what might happen with their children in the future. In fact, I would go as far as to say that it would be great if we could encourage couples, when they first marry and have children and are warm and endearing to one another, to sit down and write a story as to how they might like to see their children grow up under their parenting. They might sit down as a couple and work out—if they are going to have a family or if they have just had a baby—their hopes, aspirations and dreams for their child. If they wrote that out and put a plan in place then in the future years—if 50 per cent of partnerships are going to break down—that would be a very good starting point for a parenting plan that would see a child continue to be parented by both parents in the most loving way even if the parents separated. It is no secret that I applaud the money that has been put towards restoring family law to the intent that it should have been early in 1975, and that is to ensure that children have the benefit of the love of both parents. This is certainly provided for in this budget.

I now move to rural health. We will see over $15 million in three years in small communities to help establish walk in, walk out community medical facilities. This will make it easier to recruit and retain our general practitioners. Under Regional Partnerships, I have been able to assist many communities in establishing medical centres in order to attract medical practitioners—in Hay, Coleambally, Junee and probably others. In fact, I am going to open the Junee medical centre in just a few weeks time, and this was assisted by the Regional Partnerships program, the program that Labor would love to see destroyed even though it is one of the programs ensuring that rural and regional people are able to access a health service.
And it does help rural councils to be able to set up and attract working professionals—not just doctors and GPs but also allied health professionals and others whom we absolutely depend upon to help our communities.

We have respite care in the budget. Carers in paid employment and carers re-entering the work force will benefit from an increase in the number of respite services available, with the funding of $95.5 million over four years. This includes increasing the funding to Commonwealth carer respite centres, enabling day respite centres for older Australians to extend their hours of operation. This will provide additional respite for up to 5,000 employed carers. Funding for residential respite will be boosted by $41.8 million over four years, enabling an extra one million high-care respite days in aged care homes. This will allow an estimated 47,000 carers to take a break from their demanding carer role, with the peace of mind that comes from knowing that their loved one is receiving a high quality of care. Much of this I have raised in the House over a long period, and it is just so fulfilling to see that money is being applied to these critical areas, particularly these areas with limited services in rural and regional areas.

Mental health is another thing that I was very passionate about in the lead-up to the 2004 election. Mental health is something that affects all of our communities and something that we need to recognise is deserving of funding assistance. This government has recognised that. It has reaffirmed its commitment to the prevention of and early intervention in mental health in the community by providing continued funding of $102.2 million over the next four years to continue the Better Outcomes in Mental Health Care initiative. We have that, plus we have additional funding through the Medicare benefits schedule for GPs to provide chronic disease management, including those vital care plans and reviews for the patient with the mental health problem. That is something that certainly has been of great benefit, not just in mental health but also in asthma prevention management plans, diabetes and a whole host of areas. That funding is well and truly appreciated in all of those areas that I represent.

Dementia is another area that has been a beneficiary. Funding of $250 million over four years has been allocated for elderly Australians living with dementia. The budget makes dementia a national priority area. Then there is cancer care. Every one of us has been touched by cancer at some time or other in their life. I certainly have. I lost not only my young brother at 28 to cancer but also my father and mother. We were all in a rural area. I know that both my mother and my father chose not to have treatment because of the upheaval in everybody’s life when they contracted this disease. It is a major issue and I welcome that allocation of $43.4 million over four years for a bowel cancer screening pilot program. Reducing the morbidity from bowel cancer is certainly something that I would like to see. My mother died from bowel cancer. It is an exceptionally cruel death. If we can do anything to prevent people from going through that cruel death, I would certainly support that.

Our national skills shortage strategy is just the best. It includes group training, tools for trades and rural New Apprenticeships options. Wouldn’t you believe that we even allocate $54.4 million in additional funding for the ABC. (Time expired)

Mr BEVIS (Brisbane) (8.54 pm)—The appropriation bills before the parliament give effect to the budget that was announced a few weeks ago. More than any other single initiative of a government, whoever the government may be, the budget is probably the
single best reflection of the true views, values and sentiments that the government of the day hold. In the budget they allocate the hard-earned money of the Australian community to those things that reflect the government’s priorities. It is the budget that determines where the government of the day think the need in the nation is. This budget demonstrates a series of values that reflect the Gordon Gekko view of the world—the ‘greed is good’ view. Welcome back to Gordon Gekko. He is alive and well and prospering in the Liberal cabinet room.

Unfortunately, most Australians do not see a benefit from this budget. A few will. The centrepiece of the budget, heralded on budget night—not so heralded by the backbench since—was the $22 billion to $24 billion tax cuts that were announced. That has been the subject of a separate debate in this parliament, in which I spoke, so I do not propose to devote a great deal of time to that in my address this evening. But there are some important points that need to be reflected on. The budget announcement of tax cuts actually amalgamated three budget tax cuts: those from last year’s budget, those from the current year’s budget and an announcement of what will be in next year’s budget by way of tax cuts. Three years of tax cuts were effectively added together on budget night to arrive at the tax cuts that the Treasurer announced.

A person on an average weekly wage—depending on which measure you use, that is somewhere in the vicinity of $40,000 to $55,000—got zero in last year’s budget, not a single cent by way of a tax cut. Next year they get zero, not one cent, again. In the budget for the tax year starting on 1 July they get a grand total of $6. So a person on $55,000, who is on the upper end of what is identified as average weekly earnings, gets a total tax cut over a three-year period from this government of $6 a week. Someone earning twice that amount of money, $110,000, gets in excess of $72 a week. That is, they have double the income but they get 12 times the tax cut over the period of the previous budget, this year’s budget and next year’s budget. By any definition, it is an unfair and improper series of tax cuts where those in the greatest need receive the least amount of support.

The Labor Party made it clear that we thought that was unfair and that we would not support it. We proposed an alternative tax scale and moved that in this parliament. It is a matter of history and the record that Liberal and National party members voted against that. Even though a number of those members opposite, particularly National Party members, represent some of the poorest electorates in this country, they turned their backs on their constituents to vote for a package that does little to assist their constituents but a great deal to assist the Member for North Sydney and some others.

Labor’s tax cut proposal, our amendments, were detailed and available to the Treasurer for nearly eight hours before the debate. Yet, during the course of that debate, neither he nor any member of the government stood and debated the change—that is, debated the difference between Labor’s tax cut proposal and the government’s tax cut proposal. It is instructive that, in that debate and the debates that have occurred since, not one technical criticism of Labor’s package has been forthcoming. No-one in the Liberal Party ranks has made an attempt to compare the relative merits of the two packages and the benefits that would flow from each to ordinary Australians. It is an indication of just how much the Treasurer, like this government, has become increasingly lazy and arrogant.

It was also instructive to note that not one Liberal member from the Brisbane area got
up to speak in the debate on the Tax Laws Amendment (Personal Income Tax Reduction) Bill 2005—not the member for Petrie, the member for Dickson, the member for Ryan, the member for Moreton, the member for Bonner, the member for Bowman or the member for Forde. Not one of them got up to speak in support of the core element of the government’s budget package—its tax cuts. This was such a critically important part of the government’s budget program that you might have thought at least one of the Liberals from Brisbane could have mustered the intestinal fortitude—or, if not that, then at least a little bit of wit—and stood on their feet to speak in the debate. But that did not occur.

This is a budget the Sheriff of Nottingham would be proud of. The fact that those in greatest need have received little support was not missed by the St Vincent de Paul Society, who today issued a statement which in part said:

Contrary to recent assertions made by the Government and certain researchers, income inequality in Australia is growing.

They then set out what has happened in real terms to mean incomes between 1994-95 and 2002-03, effectively the period of office of Prime Minister John Howard and the Liberal government. Over that period, low-income earners have received an increase of $32.28, middle-income earners have received $62.86 and high-income earners have received $156. The St Vincent de Paul Society issued their statement today, with the figures that I have just quoted, because they, like many on this side of the House and, I think, in the Australian community, are alarmed at the growing gap between the have and have-nots and the fact that those at the top end, who are already doing well, are being showered with largesse by this government in its budget and in these appropriation bills.

When government members hop up and talk about the percentage of income that someone is getting as a tax cut, they are playing arithmetic games. They know it, and the people on low incomes who hear that know it. It is another example of why even their own party some years ago, after conducting an inquiry into some of their woes, said that this government and this Prime Minister were seen as mean and tricky. Those mean and tricky games that were played on budget night, and the spin given by government members and Liberal Party publicists to try and justify those unfair tax cuts, do not wash with the public. This budget has failed the nation, at the expense of largesse for a few. It fails to address the critical economic needs. It has not addressed the acute skills shortage we have in Australia at the moment, nor has it addressed the need for investment in key infrastructure. As a nation, we need to renew our investment in areas like transport, communications and water availability. The government has failed to provide the necessary boost in those areas.

But not only has this government failed the economic tests; it has failed to meet the critical social needs of our society. It has failed to provide the support necessary for sole parents, the disadvantaged, the disabled, those who rely on our education system and those in need of health care. In all of these important areas of social need, the budget has failed to grasp the opportunity that was uniquely available. There has been a massive windfall gain for the government in this budget—the highest taxing government in our history—as a result of which there has been a large pool of funds available that could have been used much more wisely. That is the view not just of the St Vincent de Paul Society and those on this side of the House. Let me read you the comments of some of the commentators on the budget.
Ross Gittins in the *Sydney Morning Herald* said:

This budget will go down well enough—but that’s because budgets that put popularity ahead of responsibility always do. Until the wheels fall off. Then it’s all tears and recrimination.

Tim Colebatch at the *Age* said:

It is not the budget Australia needs if it is to become a country that earns its way in the world, rather than spending the savings of others.

There is an ample amount of statistics to demonstrate that the current activity in the economy is very heavily based on borrowings rather than actual productivity. Alan Wood from the *Australian* said:

... it is a budget of wasted opportunities for more fundamental reform.

Chris Caton at Bankers Trust said, ‘The fact that they have chosen to be relatively expansionary at the margin increases the probability of more interest rate increases.’ That point was taken up by Saul Eslake, a well-respected economist from the ANZ Bank, who said:

There is a real risk now that the RBA will feel the need to lift interest rates again.

That was the reaction to the budget of many prominent commentators. They demonstrate a concern, and rightly so. It is not surprising that they think it was a missed opportunity or that things needed to be done differently, because, at the moment, we have the highest foreign debt in our history. Some of us have been here long enough to recall the old foreign debt truck that the Liberal Party ran around in some election campaigns 10 or 12 years ago. Let me tell you that the foreign debt that this government has overseen dwarfs the foreign debt when Labor was in office.

When Labor left office in 1996, net foreign debt, which is a fair measure—that is, the foreign debt we owe, minus all the income we get from our overseas investments—was about $193 billion. At the end of last year the foreign debt had increased to $421 billion. That is an enormous blow-out. But a more frightening measure is net foreign debt as a percentage of gross domestic product. Some people might say that the actual foreign debt is not a problem if your economy is being very productive and growing at a great rate of knots. The test for that is: what percentage of your gross domestic product is soaked up in net foreign debt? When we left office in the March quarter of 1996, that figure stood at 39.2 per cent. At the end of last year, that very same figure was 50.3 per cent. Our net foreign debt is more than half of our GDP. That is why people such as Saul Eslake rang alarm bells and why other commentators made comments about the missed opportunities in this budget.

There are a number of things that I would like to put on the record to elaborate on the problems that are confronted in areas such as education, health, the environment and defence. Time will not allow me to address all of those things so, because I have had the opportunity to speak on some of them on other occasions, I want to mention one quick thing about the environment and then turn to some issues associated with defence.

The environment has not done well under this government but it is somewhat astounding that even this government would take the action it has in respect of one matter in the budget. The budget abolishes funding for the Australian Greenhouse Office. The Australian Greenhouse Office was the first national greenhouse office in the world. Under Labor, we were world leaders in pursuit of a better, cleaner, stronger environment for the future. Under the Liberals we have put our head in the sand and we are abandoning future generations. In a quite disgraceful way this budget closes down the Australian Greenhouse Office, not because the greenhouse problem has been fixed—it has not—but
because this government has chosen to ignore it.

I want to take the opportunity to make some reference to one aspect of defence for which I have particular responsibility on behalf of the Labor Party and the opposition, and that is the justice system in the Department of Defence at the moment. There are far too many cases coming to light of inappropriate activity in the Defence Force that are not being addressed as they should be. This prompted the *Sydney Morning Herald* to write an editorial only a week or so ago that said:

There are only two problems with the system of justice now operating in the Australian Defence Force: it is not a system, and it is not just. Sadly, that is a pretty fair statement of where things have got to. I want to refer to a couple of cases to illustrate the problem. One involves former Air Vice Marshal Peter Criss, who in 2000 was summarily removed from his position as the East Timor air commander. At the time he was not given any reasons for his removal or the opportunity to reply to any claims against him.

An inquiry into the treatment of Air Vice Marshal Criss then found in favour of the air vice marshal. It also raised concerns about the conduct of Lieutenant General Des Mueller, who was criticised for not properly conducting performance assessments of Air Vice Marshal Criss. In an amazing development, instead of compensating Air Vice Marshal Criss for the wrongdoing the then Chief of the Defence Force Admiral Barrie asked General Mueller to review the inquiry’s conclusion. In other words, General Mueller was asked to review himself. Surprise, surprise, he exonerated himself. After that, Air Vice Marshal Criss’s claim for compensation, which the first inquiry described as ‘irresistible’, was overturned. So there was a further review—the third one in five years—this time by an independent agent like the first one. It too found in favour of Air Vice Marshal Criss and outlined various breaches of the defence department rules that it identified he had been a victim of.

The simple fact is that there had been an error in the treatment of Air Vice Marshal Criss. The department had now spent over $1 million fighting this case. Wrongly, Air Vice Marshal Criss to this day has not got a cent in compensation. We have had three inquiries and $1 million spent to defend the wrongdoing and the victim of it still waits for any resemblance of justice.

A frightening case in my view involved a very talented young lieutenant commander, a female officer in the Navy who, while she was stationed at HMAS *Stirling* at Garden Island in Western Australia, was confronted by one of her subordinates who wanted to express concern about sexual harassment she had been suffering. A complaint was put in to the commanding officer about that sexual harassment. Unfortunately, it was not acted on, so the lieutenant commander took up the matter, as she should do, and pursued it with her superiors. Her superiors obviously objected to the fact that she was following through the process better than they had and she was subsequently victimised.

As part of that victimisation, a Dr McKenzie conducted examinations of her and behaved in a manner which the Medical Board of Western Australia subsequently found to be totally inappropriate. In fact, the medical board found Dr McKenzie guilty of professional misconduct and fined him $10,000. The defence department so far has spent about half a million dollars providing legal support and covering other costs for Dr McKenzie. That is, the doctor who has been found by the medical board to have behaved improperly has received support over a pe-
period of some years and his legal costs have been largely met by the Crown.

Meanwhile, the victim of all of these wrongdoings has had to pay all her own legal costs and expenses and has had her career at best put on ice—in fact, probably ruined—in the process. To date, there has not been one cent of compensation for that lieutenant commander and not one cent of recompense for her legal costs. Indeed, when I put questions on notice to Minister Kelly about this the answer that I received only a week or two ago was that it was a matter for the courts and if this young female officer wants to sue the Commonwealth then let her do her best. ‘We’ll see you in court with our deep pockets,’ was no doubt the view that the minister was advancing—so much for justice and so much for decency in dealing with these problems.

The final example I will mention, given the time constraints, is the very tragic circumstance of a 15-year-old female Air Force cadet. Sadly, she was in an improper relationship with one of the officers. The officer in fact admitted to the improper relationship and resigned. For her trouble the cadet was subsequently victimised by the senior officers and told that she should leave. She was the victim, mind you, and she was told that she should resign. In the end, tragically, this young girl took her life. The human rights commission investigated the matter and not only were critical of these events but critical of Defence for covering it up.

It is time these matters were dealt with openly and honestly. The great bulk of people in our Defence Force are wonderful people who deserve to have the respect of all of us. But until the system is willing to address these problems when they arise there will always be an inappropriate air of concern hanging over them. These cases should be dealt with by the minister immediately. It is not good enough to fob it off to the department; it is not good enough to tell these people, ‘We will see you in court.’ The minister has an obligation herself—not the department—to investigate these matters to ensure that justice is done.

Mr BROADBENT (McMillan) (9.14 pm)—I cannot help but recognise the passion that the member for Brisbane spoke with on behalf of the family he just mentioned. It would not be right if I did not recognise that families across Australia can go through some difficult times. The member for Riverina mentioned in her speech how her family had been so affected by cancer. I recognise that the member for Brisbane has his heart in the right place when he speaks about any family that has lost a child, be it a child of a young or an older age. I know that he is speaking on behalf of all of us in the federal parliament when he talks about those who have difficulties within the family, especially when they lead to the tragic circumstances that he has just alluded to.

I did not want to start my speech on the Appropriation Bill (No. 1) 2005-2006 and related bills on a sad note, because this budget that we have now put before the people of Australia is a budget for communities and for families. It is a budget that will make a difference to the daily lives of many people across this nation. In fact, the Labor opposition has mounted a phoney attack on the federal government’s 2005-06 budget based solely on misleading claims that people in lower income groups are disadvantaged by the new tax proposals. The reality, of course, is vastly different—and I will address that further later. I want to look beyond the opposition’s negativism on the budget and to highlight the abundance of good news. There is good news for farm families in difficult times, with the allocation of funding that has just been announced by the Prime Minister today. There are benefits arising out of this
budget for families with children, with some $600 per child to be delivered to those families again in July. There is good news for timber workers and their communities across Australia, who take great heart from the good story told by the Prime Minister recently about Tasmanian forests and how decisions taken over there will be echoed throughout the communities across Australia.

There is good news for small businesses, who are working in a climate of lower interest rates, low inflation and a strong economy. There is also good news for home owners with a mortgage, who have been given consistency by this government, with low interest rates enabling them to plan with some enthusiasm and diligence the extent to which their mortgage and household budget will be covered by their income. This government has given them consistency and confidence that they will not face the tragedies that were faced under the former Labor government when people were actually losing their homes.

Mr Deputy Speaker Somlyay, you arrived with me in this House in the early nineties when interest rates were staggering. For small business they were 22 per cent and for some households mortgage rates were 17½ per cent. We lived and breathed the stress that hit homeowners in every one of our electorates. It is important that this budget continues the government’s good economic management which gives homeowners with a mortgage the surety of knowing that it will do all it can to hold interest rates low.

This budget is good news for people who once were jobless but who are now employed. In my electorate of McMillan we have what is a reasonably high unemployment rate, at around six per cent overall, but in many parts of the electorate there are vibrant places of activity where the jobless rate is down to 3.2 per cent. There is great demand for employees in many of our local businesses. This budget is good for teachers and schools, both public and private. I will speak about the benefits, particularly to Catholic schools in my electorate, from the government’s funding of those schools and of the movement by Catholic Education Commission Victoria to get some money out to regional areas like Leongatha and Newborough in my electorate.

This budget is good for carers and those on carers allowance. The government has recognised carers. We as a government and as a parliament can never, ever believe that we can repay carers for the wonderful care and attention that they give to their loved ones and to those for whom they are responsible. We could not possibly repay them. What we can do with this payment is to recognise what they are doing on behalf of their loved ones and those that they care for. I hope that people understand and recognise that these people who are carers in the home, rather than utilising residential care, save governments a fortune. I say with heart and compassion to carers: we can never repay you for the love and attention you give to those who are disabled, to those who have Alzheimer’s and to those who have other chronic illnesses that require direct care by those surrounding them in the home. We can only identify with them as best we can and recognise, through increases in carers’ payment and carers’ allowance, how important we see them to be as contributors to the national economic and social wellbeing of our communities.

This government is good for people in need of aged care. I will speak about that with respect to my electorate shortly. We came into office in 1996, having to take some $8 billion out of the budget outlays so that we could come to the time when there would be benefits to the Australian community through good economic management.
That was done at great cost to all sectors of the economy. But it put us in a position where we could have a strong economy. As the member for Brisbane mentioned, whilst private debt has increased, our public debt has diminished by nearly 70 per cent. This budget is good for people with chronic health needs, and this budget is good for tourism operators. It is good for businesspeople. It is good for builders—to continue the strong economic growth in the sectors of commercial and house-building activity. It is good for the power industry, particularly the coal driven power industry in my electorate—it gives them certainty of activity through our energy white paper—and it is good for the paper industry because we have removed the superannuation surcharge for workers most affected in the power and paper industries.

It must have nearly choked the member for Corio this evening when he spoke in this House about the unprecedented national surplus, especially when we in this place came out from unprecedented debt levels under the opposition. There has been an amazing turnaround through good economic management. You can also add the benefits for the environment to these direct benefits for the people of Australia in this budget. The government have been the largest spender on the environment of any government. It was a requirement of the Australian people that we address water—rivers and streams, national heritage, salinity and water quality. The budget does this with programs for our rivers and streams, with our water package, with the $3 billion for the Natural Heritage Trust and the $1.4 billion National Action Plan for Salinity and Water Quality. The list goes on: our natural resource management funding is national, it is regional and it has a community funding component. The list includes the Australian government Envirofund, environment management systems, Farm Help, and Enviromeat, a pilot environment management system program for farms.

But the really good news coming out of this budget is the unprecedented support for working families, with $1.4 billion committed to the Department of Family and Community Services in 2005-06. The wide range of services and benefits this enables the government to provide for working families is their dividend from nearly 10 years of work by the Howard government. In its first term, the government had the challenge of sorting out the economic mess it inherited from the former Labor government. It then set about building a sound economic platform that would enable the government to deliver the sorts of benefits that are contained in this budget.

The most direct benefit for families, of course, will be a boost of an average of $24 a fortnight to their family tax benefit part A payments from 1 July. This has been achieved by increasing the income threshold for lower income earners by more than $4,000, to $37,500. This measure will put more money in the pockets of lower and middle-income families and, at the same time, will result in more families becoming eligible for family benefits. The government estimates that an additional 40,000 families will become eligible for these benefits.

I have mentioned the extraordinary efforts of carers, who contribute to our national social and economic wellbeing. The one-off bonus payment of $1,000 to eligible recipients of a carer allowance and $600 to carer allowance recipients will be well received by those who do so much for so little. This payment will provide carers with better support when providing support for relatives and friends who have a disability or are frail aged.

These are just some highlights of the benefits contained in the budget for families
and the less well off in the community. The Labor opposition, in its desperate search for a weakness in the budget, has homed in on what it is trying to sell as unfair treatment for lower income earners in proposed tax cuts, but the package proposed by the government provides benefits across all income groups by increasing taxation thresholds and reducing the lowest marginal rate from 17c to 15c in the dollar. I say to the opposition: give them their tax cuts. In addition, those family benefits I have outlined will see more money flowing through to them.

The changes to the current taxation thresholds are well overdue. For some years the problem of so-called bracket creep has been a disincentive for workers on lower and middle incomes from working overtime or seeking additional work, because of the increased taxation rates they would move into. The distortions of the current taxation brackets also had the undesirable effect of fuelling higher wage claims because working people were often losing the benefits of any increase by moving into a higher tax scale. The taxation proposals in this budget will help address this anomaly.

The opposition has criticised the increase in take-home pay the new schedules will bring to high-income earners. The only reason they will receive such an increase is the high rate of tax they are already paying on their income. Account also needs to be taken of how much of this increased spending will flow back to governments through the goods and services people buy with the increased discretionary income they will receive. What has been overlooked in this whole debate is that, at the completion of the reform agenda in four years time, more than 80 per cent of Australian taxpayers will face a top marginal tax rate of 30 per cent or less, and the top marginal rate will apply to only three per cent of the population from 2006-07.

This budget proposes a serious attempt to address the distortion that has developed in our income tax system over the past three decades or more. It does this in a fair and equitable manner, despite what the opposition might say, and will result in a taxation regime that will make Australia more competitive internationally. At the same time, the Howard government continues to provide benefits to more vulnerable sections of the community to ensure that they also share in the prosperity of our nation.

I mentioned before the concern the Australian government has for rural Catholic schools. In my time as the member for Corinella, then as the member for McMillan and again as the member for McMillan, one of the great tragedies has been that the funding of our Catholic schools in Victoria seemed to be going to the schools in the growth corridors of the outer Melbourne area. This was addressed when the Howard government decided to put more money into Catholic schools across Australia—and, therefore, we are now receiving the benefits of that decision in rural Victoria.

I was pleased to be with Principal Paul Mulqueen; Reverend Father Manny, the bishop; and Father Peter and Father John for the opening of the refurbishment of St Mary’s at Newborough. Part of the funding was poured in for the refurbishment of St Mary’s school. It was a pleasure to be there. I do not have to explain to you, Mr Deputy Speaker Somlyay, the beautiful organisation of the day and the wonder of the choir that sang. I think even the bishop was amazed at the magnificent spread of food for the afternoon tea presented by the Ladies Auxiliary. There has been a great refurbishment of the school, with all power to Principal Paul Mulqueen who has done a marvellous job. It was a pleasure to be at the opening and a pleasure to be representing this government in Newborough, which for those of you who...
do not know is next to Moe where the government is also providing funds for mentoring programs and other funding for its schools.

In a rather exciting program, as the applications go in we will be funding schools right across my electorate to refurbish a number of my primary schools and secondary colleges that the Bracks government has left in a dilapidated state. The funding will be going direct from this government to the parents and citizens associations of those schools. They are very excited about it, and those applications are going in. I will never say, especially as the Manager of Opposition Business is in the chamber, that there will not be more to do; there will always be more to do; there will always be needs in our community.

That is why it is important that in July the amount of $600 will be going to families with children right across the electorate of McMillan. Our electorate is a conservative family based electorate that is appreciative of the federal government’s targeting of benefits to families with children. If the opposition would just look at the whole of the tax package and the whole process of family payments that have been directed at families with children, I think they would come to another position on this budget and understand that this is a budget for families. Over the years from 1996 when it was first elected, the government has purposely gone out and targeted all its programs to benefit families right across electorates such as mine of McMillan. So that benefit is flowing on, and parents all over the electorate are recognising the benefits.

I had the great pleasure of opening the rural transaction centre at Mirboo North on Saturday morning. In the opening of that rural transaction centre, I recognised the stewardship of the former member for the area, Minister Peter McGauran, in the grant of $163,954 that went to the Mirboo North Community Support Cooperative Ltd to allow this rural transaction centre to open. I give great praise to Bendigo Bank that has been persistent in its approach to making sure that infrastructure is available in places like Mirboo North, where the government has also invested in infrastructure for both aged care and child care. You may say, Mr Deputy Speaker, that that is because it was a marginal seat. It does not matter now whether it was a marginal seat or not; the funding has gone into the aged care area, into the rural transaction centre, into the care of veterans—who are so important and we should recognise them—and especially into that child-care centre. Mirboo North is one place in Australia that has really benefited from the Howard government’s thrust towards the generations of families: older people, those that would use rural transaction centres in country areas and especially our cherished young people in the Mirboo North child-care centre. I look forward to one day taking you with me, Mr Deputy Speaker, to the opening of the child-care centre at Mirboo North. Thank you very much.

Ms GILLARD (Lalor) (9.34 pm)—You are always welcome in Lalor as well, Mr Deputy Speaker Somlyay. Following the budget reply by the Leader of the Opposition, the Minister for Health and Ageing had the audacity when he talked about the budget—and we are in the appropriations debate—to accuse Labor of being ‘bankrupt when it came to health policy’. One would have thought that as a former boxer the minister for health would have had more sense than to lead with his chin, because he clearly did not listen to Treasurer Costello’s budget speech and he clearly does not understand anything that is comprehended in the budget or in this appropriations debate.
Certainly, Treasurer Costello went to five health measures in his speech on budget night: two were re-announcements of election commitments; one was the announcement of a $25 million fund of new money to fight tobacco usage amongst the young; and the other two were enormous cutbacks—a $499 million cutback to the Medicare safety net and the making of an additional $1.3 billion in savings from our Pharmaceutical Benefits Scheme.

During the last election, the Howard government spent $4,077.6 million in the Health and Ageing portfolio to bribe the electorate. More than $4 billion is an extraordinary amount of money. However, since the last budget document, the Mid-Year Economic and Fiscal Outlook, the Howard government has decided to cut portfolio spending overall by $270.8 million. This is the classic pattern of health expenditure for the Howard government: tip out an enormous amount of money, buckets of money in a visionless spend immediately before the election to try to buy your way out of any political liability in relation to health; and then after the election cut back and cut back hard. That is exactly what has happened.

I say this to Treasurer Costello on this year’s performance: please do not mention health in your next budget speech because when you mention health we know that means hundreds of millions of dollars coming out of the health portfolio. And in truth, the real bankruptcy in health is the minister’s moral bankruptcy and the Howard government’s bankruptcy of ideas to promote real sustainability and progress in the health system. When we look at the budget overall, we see a bankruptcy of vision. In a nation that is faced with a skills and infrastructure crisis, a slowing economy and a ballooning current account deficit, we really need some new vision—some new vision about fairness and a new passion for reform—but we have not seen that. When a government crowls about giving $6 tax cuts to seven million Australians and $65 tax cuts to 300,000 Australians, we certainly need a new vision and a new passion for fairness. In the vital area of health policy we need a new vision and a new passion for reform and for fairness, because it is sadly lacking under this government.

I want to turn now in detail to the savage cutbacks to the health portfolio that were comprehended by the Howard government’s budget and by this appropriations debate. The most savage of them all, not necessarily in dollar terms, was that which came against the backdrop of the Minister for Health and Ageing having given pre election a rock solid, ironclad guarantee that the Medicare safety net would not be changed; that has to stand out as the most vicious cutback of all and the most startling broken promise within memory in recent modern politics. It was an incredible breaching of his word with the electorate.

Mr Deputy Speaker, I want to take you now to the unbelievability of Minister Abbott’s explanation for the safety net cutback and for his claim that when he gave his rock solid, ironclad guarantee he had ‘not the slightest inkling’ that the Medicare safety net would be changed. The things I am about to say now are facts, are a matter of history and are unimpeachable. This is what happened. On 12 March 2004, the Medicare safety net came into effect. We know that in March, following the introduction of the Medicare safety net, the Health Insurance Commission was providing weekly information, in addition to daily Medicare data, to the Department of Health
and Ageing and that this weekly data report provided details of Medicare transactions and payments, with specific payment and transaction information on the Medicare safety net. The source of that data is the Senate estimates hearing on 26 May this year in the finance and public accounts area. Once again, we have an unimpeachable fact: we have weekly data, a compilation of the Medicare safety net expenditure, going through to the Department of Health and Ageing.

On 28 June 2004 the minister for health issued a press release boasting that ‘415,500 people have reached the thresholds applicable to the safety net’. If you were the minister for health getting weekly data from the HIC about the Medicare safety net expenditure, wouldn’t you at that point say to yourself: ‘There’s a problem here. All of the figuring on the Medicare safety net has been done on the basis that 450,000 people will benefit in any one year, but 415,000 people have benefited in three months’? If you had got that data you would be worse than the worst kind of fool; you would have to be asleep to not realise that this was starting to add up to a cost blow-out. Just in case this was all too complicated for the minister for health and he could not even follow his own press releases, the Herald Sun, in July 2004, helpfully reported that an internal Health Insurance Commission audit had revealed evidence of changed billing practices amongst doctors which were helping patients reach the safety net faster. The audit revealed a $1.4 million blow-out in the scheme in Victoria in June alone.

So there you are: the minister for health was getting weekly data, he had almost reached within three months the numbers that he was supposed to get on the safety net within a year, and his own Health Insurance Commission had an internal audit—helpfully reported for him in the Herald Sun—which showed that there was blow-out of $1.4 million in one state in one month alone. And what Minister Abbott wants this parliament and the Australian people to believe is that he got that information and it never occurred to him that this was a problem and it never occurred to him that this was so bad a problem that the Medicare safety net was going to require changing.

And it goes on, Mr Deputy Speaker. I could take you through much more detail but I do not have the time. Let us just fast-forward to 23 August 2004, when the Minister for Health and Ageing put out a press release boasting that 650,000 people were now covered by the safety net. He put out a press release that showed that more people had been covered by that time than were supposed to be covered in a full 12 months. Once again, wouldn’t you have been getting the idea that you were headed for a big blow-out? For good measure, we then had the pre-election fiscal outlook, which once again, on 10 September, showed what is cutely called a ‘parameter variation’, that there was a further blow-out in the Medicare safety net. Then the daddy of them all: on 27 September 2004, when there were still almost two full weeks of campaign time before the last federal election, the Department of Finance and Administration, through the Charter of Budget Honesty process, filed in the public domain a document that showed that the cost of scheme had blown out to $1.3 billion. And Minister Abbott says that, even with this data in the public domain, he had ‘not the slightest inkling’ that the Medicare safety net would be changed.

That is absurd. This is a minister who said he watched a scheme blow out by more than three times. He had weekly information. He had a Health Insurance Commission audit. He had several rounds of advice, including PEFO, about the blow-out. He finally had information through the Charter of Budget
Honesty tell him that it had blown out to $1.3 billion. And it never occurred to him that this was a problem and that it needed to be changed.

And to show how completely incredible the Howard version of this is, the Prime Minister, John Howard, went out and backflipped about the Medicare safety net when the costs had blown out to what the government expected to be $1.4 billion. So the Howard government are expecting you to believe here that when the known costs are $1.3 billion the minister is able to give a rock solid, ironclad guarantee and to say that he has got not the slightest inkling that it is going to be changed, but an extra $100 million after the election breaks the camel’s back and means that they will break Minister Abbott’s word to the electorate. This is an absurdity.

We know it is not actually an absurdity; it is a conspiracy. If it were not a conspiracy the Howard government ministers would be prepared to come to the dispatch box in this place or to Senate estimates and to say: ‘We fess up. We are particularly stupid people. We cheerfully watched a program blow out by three times. We do not care about hundreds of millions of dollars of taxpayers’ money going out the door. We did that and we went on our merry way and gave rock solid, ironclad guarantees.’ If in truth their defence is that they are not very bright, then they would have led with that defence and they would have said, ‘Of course we did not have any discussions amongst ourselves about this being a problem or about pruning back the Medicare safety net and of course you can have every document from the department of finance that proves our word.’ But they have not done that. The department of finance have not properly responded to a freedom of information request filed by the opposition. They are covering the documents up. When Minister Abbott was asked in this place in question time what discussions he had had with the Prime Minister or with the Minister for Finance and Administration, he declined to answer. When the Prime Minister was asked in this place what discussions he had had with the minister for finance or the minister for health, he declined to answer. When Senator Minchin in Senate estimates was asked what discussions he had had with the minister for health and the Prime Minister, he declined to answer.

You tell me, Mr Deputy Speaker Causley, because I know you are a very wise man: what does that refusal to answer add up to? It adds up to the fact that this government knew before the election that the Medicare safety net in a costing sense was out of control. And I suspect very strongly that it adds up to the fact that there were discussions happening in government about what they would do to prune back the Medicare safety net before the last election and, despite those discussions being in progress, Minister Abbott went out and gave a rock solid, ironclad guarantee that he did not believe the moment the words left his mouth. His guarantee was put there for the sheer purpose of conning the Australian electorate.

Let me assure you, Mr Deputy Speaker, we will never let this matter rest until we get to the truth of it. We will never let this matter rest until the truth is in the public domain, and that will spark Minister Abbott’s resignation. He ought to have resigned already for breaking his word to the Australian people. He has not done the right thing, but we will pursue this matter until he does.

But that was not the only big cutback in the budget. Apart from hacking all that money out of the Medicare safety net this government made an additional $1.3 billion in savings from cutting the Pharmaceutical Benefits Scheme. The government hiked up the price of medicines by 27 per cent on 1 January. I will at least give to them that that
was known before the election. But what they did not tell people before the election, and what was comprehended within the budget, is that they now plan to increase the concessional and general PBS safety net thresholds by adding two scripts per year to the number required to reach the safety net. In addition, scripts resupplied within 20 days will also not count towards the PBS safety net.

In hacking into the Pharmaceutical Benefits Scheme the government has hacked into the most progressive element of our health system. The fact that the PBS is a very progressive system is well known and was confirmed by NATSEM in 2003 when it found that two-fifths of the total PBS government outlays are directed to the poorest one-fifth of the Australian population. So you cannot hack into the PBS without hurting the poorest, because that is who it helps the most. The truth is that Minister Abbott has never found a safety net that he did not want to rip a hole in. He has ripped a hole in the Medicare safety net and he did not want to leave untouched the pharmaceutical benefits safety net. So post the budget and this appropriations debate that has got a huge hole torn in it as well, and the government did not tell you that before the last election.

While we are on the question of cutbacks to the PBS, the Howard government cruelly and, I think, inexplicably has cut back on a basic health prevention measure by removing calcium tablet preparations from the PBS to save $35.9 million over four years. Could anybody in this parliament explain to me what the sense is in saving $35.9 million on calcium tablet preparations from the PBS to pay the full price of the calcium. You do not have to be Mandrake the Magician to work out what that means. A lot of people who take calcium now will not take it, increasing their risk of osteoporosis, a disease that already costs this country $1.9 billion per annum in health costs and a further $5.6 billion in indirect costs. So it is a cutback of incredible cruelty and incredible stupidity in this budget.

Amongst all this bad news Minister Abbott has tried to spruik the government’s $25 million commitment to the national effort to get young people to stop smoking, and I commend that $25 million. But it is not a dollar too much and not a day too soon. We are talking about a government that in the last financial year only spent $1.63 million in spruiking the antismoking message compared with the $19.2 million they were prepared to spend on advertising their Medicare safety net, only to crash their word about their Medicare safety net and rip a huge hole in it after the election. So it is an expenditure we welcome but not a day too early and not a dollar too much.

This is, of course, the budget that was framed by the pre-budget speculation about cutting Medicare funding for IVF procedures. A huge community and Labor campaign stopped that from being in this budget but—let us face it—that cutback is stalled, it is not off the table. I see that the Parliamentary Secretary to the Treasurer, who is at the table, is deeply concerned about this. If he is, he will go to Treasurer Costello and say: ‘Don’t put it in to an expert committee only to bring it back out into the public domain and make the cutback at a more fortuitous political time. Rule it out.’ That is the right thing to do to give people certainty, particularly people who are going through the IVF procedure.
We do know that this government has not clearly outlined in the forward estimates its funding for pneumococcal vaccine after its funding for this vaccine ends in December 2006. We are told by Minister Abbott that he is expecting the Treasurer to be forthcoming with the funds, but let us remember it was Minister Abbott who, when he first announced the Medicare safety net and was asked about how it would be funded, replied, ‘Peter will provide; he always does.’ We know Peter has not provided for Minister Abbott’s promises about the Medicare safety net so why should any person in Australia believe that Treasurer Costello is going to fund Minister Abbott’s promises about the pneumococcal vaccine? We know that the Australian Technical Advisory Group on Immunisation have paid the price for giving frank and fearless advice about the pneumococcal vaccine and been stripped of their advisory powers.

In a budget that is a record post-election spend it was health that missed out. It was Minister Abbott who could not secure sufficient funds for his portfolio to make good his word. That will count against him for all time. No-one in this country will again believe any promise he ever makes about our health system. We will get to the bottom of the Medicare safety net conspiracy. (Time expired)

Mr RICHARDSON (Kingston) (9.54 pm)—I rise today in support of Appropriation Bill (No. 1) 2005-2006 and related bills, which are before the House. On 10 May the federal government’s budget was delivered to the House and it included a variety of measures across all facets of income and expenditure to ensure the nation’s responsible economic management while allowing this government to give back to the Australian people. I support and commend that budget because it delivers. It delivers for the Australian business. It delivers for the people of my electorate of Kingston and it delivers on Howard government promises.

It was announced in the federal budget that the City of Onkaparinga, the local council covering the majority of my electorate, would receive in excess of $5.8 million over the next four years to improve roads under the federal government’s Roads to Recovery program. South Australia has seen a massive jump in the road toll this year and we are losing so many young South Australians to preventable road tragedy. In conjunction with the local state member, I have established the Southern Youth Advisory Panel, a group of people who meet to discuss topical, political issues and provide advice to the local state member and to me on legislative and political issues. At a recent meeting I sat listening to these young people speak of road deaths. A number of them had been personally touched by the loss of a friend or loved one in a motor vehicle accident, including one young lady who had lost a friend just the week before. What became clear to me was that there are a lot of factors we simply cannot control and a lot of behaviour we can never eliminate when it comes to young drivers. What we can do something about, however, is the state of the roads they drive on. There is no doubt that the better the road, the lower the chances of a fatality. On budget night I was delighted with the funding going directly into my electorate because this budget is spending in excess of $5.8 million saving lives in the electorate of Kingston.

Another measure taken in the budget which may be of benefit to the people of Kingston was the announcement of the Rural Medical Infrastructure Fund. At a recent community forum at Aldinga a number of constituents raised their concerns about the doctor and medical centre shortage facing the community. Aldinga is a small rural community whose residents are struggling to
access all kinds of services from transport to medical treatment. This is a community of less than 10,000 people whose council will now be eligible to apply under the Rural Medical Infrastructure Fund to establish a medical centre in their area. In a community like Aldinga that receives a grant under this fund the residents would have not only the benefit of doctor services but also the peace of mind of knowing that, in the event of a change in doctor, the facilities and staff will still remain available and unchanged to the people of the community.

I have personally contacted the chief executive officer of the local council servicing the suburb of Aldinga, Mr Jeff Tate, and advised him of this Howard government initiative. I will continue to be in contact with him and councillors from the City of Onkaparinga in the lead-up to 1 July, when applications for funding open, to ensure that the council takes advantage of this funding initiative and that the people of the smaller regional communities throughout my electorate of Kingston, like Aldinga, have every opportunity to benefit from this funding and from an attempt to address the doctor shortage in that area.

This is just one measure in a much larger initiative to attract doctors to rural areas and to address the doctor shortage faced by rural Australia. We have heard such whingeing and whining coming from the Labor Party in relation to the rural doctor shortage but, as is usually the case from the Labor Party, we have heard very little by way of solutions. I have no doubt that in this case it is because the Australian Labor Party do not care about rural and regional Australia. Fortunately, for rural Australia, the Howard government do care and this program is just one example of how we are going to attract doctors to rural Australia in an attempt to give those living in small rural communities access to the medical services and infrastructure they need.

This now brings me to the next great initiative in this budget: the tax cuts. This government have spent nine years cleaning up Labor’s mess—nine years of making the tough decisions so that this nation would have a future and so that we would not leave a legacy of debt and budget deficits for future Australian governments. We inherited an economy in disarray after Labor’s pathetic excuse for economic management, and the Howard government have worked exceptionally hard to reverse the damage Labor did.

What blows me away and what really makes me angry is that members opposite—members who left our national economy in disarray—now have the audacity to try and tell us how we should be spending the nation’s budget surplus. It would be like going to a financial adviser who told you to get your life savings, mortgage your home and bet it all on a losing horse and, after working for nine years to pay the money back and save a little, going back to the same financial adviser to ask him how to spend it. You have got to be joking! Fortunately, the government do not go and see the Labor Party financial adviser when deciding how to spend taxpayers’ money and, fortunately, the Australian people re-elected the Howard government at the last election because they do not want to go back to that same financial adviser either.

Various members opposite have stood up in this House and claimed that if members of parliament gave back their tax cuts then low-income earners could receive a tax cut which is double that which the Howard government is offering. Let’s be honest: we know the Australian Labor Party are not good with numbers, but even they are not that bad. They know, as do the Australian public, that the tax cut Labor are asking us not to give out does not just apply to members of parliament. Their attempts at trickery are not
only appalling and deceptive but insulting to the intelligence of every Australian taxpayer.

A constituent in my electorate of Kingston earning around $77,000 a year came to see me last week, and he came for two reasons. The first was to express his sincere gratitude for the tax cuts awarded to those in his tax bracket. The constituent started work at the age of 16 and had no formal qualifications. At the age of 57 he is still working, and through hard work and determination he has managed to climb the ladder and secure himself a job at his current salary level. This constituent has worked his entire life to support his family. He struggled to put his children through a Catholic school so they could be taught in line with his faith. He is now struggling to support his daughters while they complete university degrees. All the while, this constituent has been paying additional contributions into his superannuation so that he can save for his retirement and not be reliant or a burden on the government.

This is a father who has paid taxes for the last 41 years, who has managed to support his family, who has given his children an education—and they have had every possible opportunity in life to be all that they can—and who has struggled to provide for his own retirement. This constituent came to say thanks: thanks to this government for making it that little bit easier, thanks for recognising the contribution workers in his tax bracket have made over the years and for giving them something back and thanks for abolishing the superannuation surcharge so that he is no longer penalised for responsibly saving for his future.

The constituent’s second reason for coming to see me was out of concern—real concern that the Labor Party would get their way on tax cuts and concern that his tax cut would not be delivered to him on 1 July. The thing in all this is that the Australian Labor Party would like to believe they are an alternative choice of government for the Australian people, but under their pathetic excuse for a tax plan this constituent, this good and decent hardworking Australian, would be paying more tax than he would under the Howard government. They think he deserves to pay more tax!

The greatest joy in this constituent meeting came at the end, when I could assure my constituent that he will get his tax cut—his whole tax cut—because this government does not answer to the Australian Labor Party; it answers to the Australian people. While Labor may keep backing a losing horse, the Australian people are smarter than that and they picked the Howard government at the last election. Australian workers will get their tax cuts whether the Australian Labor Party continue with their farcical publicity stunt or not, because if they do not pass the legislation now to allow Australians their tax cuts on 1 July it will pass once the new Senate comes into existence and all Australians will get the tax cuts they deserve.

This budget does more than reward Australians who deserve it today; it looks into the future to address the needs of this nation into the future and to provide for tomorrow’s generations of Australians. This budget establishes a future fund, a fund designed to address unfunded liabilities in years to come. This fund ensures this generation of taxpayers is making provision for an ageing population and reducing the burden that will be placed on our children and grandchildren when they become taxpayers.

This budget also looks at the skill needs of this nation, including the skills shortage we are facing now, as well as looking at what skills will be required in the coming years. The budget provides the funds to establish 24 technical colleges across the nation. These technical colleges are going to provide huge
benefits to young people and huge benefits to the communities in which they are located. There can be no greater evidence of my support for these technical colleges and what they are going to achieve than the fact that I am supporting a local consortium in my electorate of Kingston in their bid for a technical college and lobbying the government to locate a college in the southern suburbs of Adelaide.

In closing, this is a budget for every Australian. It is a budget that delivers for Australians today and provides for them tomorrow. This is a budget about encouragement. It encourages people to go from welfare to work; it encourages people to use their skills and gain a trade. And this is a budget about reward. It is about rewarding Australian taxpayers who have worked hard and who deserve a tax cut. It is about rewarding carers who play a major role in the care of our disabled. It is about rewarding businesses who employ Australians and who play a major role in a multicultural Australia.

The government have worked hard to recover from the disaster Labor created. We have worked hard through good economic management to ensure we are in a position where we can give back to Australians. If the Australian Labor Party think we are going to stall or compromise on the tax cuts we are giving all Australians then they are seriously mistaken. I mean—‘Hello! Hello!’—they racked up $96 billion in debt before we stepped in to clean up their mess. We are not going to take what they have to say on economic matters as anything more than a joke. Their economic credentials are laughable. They think that, after we have got their massive debt down to just $10 billion, they actually have some right to tell us what to do with the surplus. I am not sure whether it is amnesia, selective memory or just some real audacity on the part of the Leader of the Opposition, but it has kept me well and truly entertained for the last couple of weeks.

I support this bill because it is the next step in the great economic management by the Howard government. I also support this bill because it is part of a sensible budget that helps out every Australian—not just a select few. The government have ensured that over the last 9½ years Australian workers have seen real wages rise by 14 per cent, compared to a pathetic 1.2 per cent under the so-called leadership of the Australian Labor Party. The short version of the story is that Australian workers are better off because we sit on this side of the House.

I support the budget because it was put together by a government with great economic credentials and a sensational record of economic management—not by a bunch of people whose economic credentials are laughable and who are an embarrassment on economic management as a prospect for an alternative government of this nation. I commend the bill to the House.

Mr McCLELLAND (Barton) (10.09 pm)—In speaking on Appropriation Bill (No. 1) 2005-2006 and related bills, my focus is on national security. Essentially, Labor would summarise the 2005-06 budget measure on national security as a missed opportunity for the enhancement of Australia’s domestic security and national security. For instance, the majority of the government’s spending in the area of domestic security—some $522 million—is directed towards diplomatic guarding and the protection of Australia’s representatives overseas.

While unquestionably the government has an obligation to protect those Australians who provide such a valuable service to the nation, the question must be asked whether this massive increase in expenditure on protect security to date, as a result of the increased security threat faced by Australians
and Australian interests overseas, is as a result of our involvement in the war in Iraq. I think it is fair to say that both the retiring head of ASIO and indeed the Prime Minister have recognised, at least in respect of those Australians and Australian interests overseas, that our involvement in the war in Iraq may have increased the risk.

In the crucial area of maritime security and border control, the measures announced in the 2005-06 budget remain basically inadequate to address the raft of systematic maritime security failures that the opposition has been highlighting for many months. While the opposition supports funding the arming of the eight vessels operated by the Customs National Marine Unit—an initiative which Labor has been calling for for literally years—on the whole the Australian maritime border control arrangements remain hopelessly fragmented.

At least eight government agencies—including Defence, Customs, Coastwatch, the Department of Transport and Regional Services, the Australian Fisheries Management Authority, the Australian Maritime Safety Authority, the Australian Quarantine Inspection Service and the Department of Immigration and Multicultural and Indigenous Affairs—administer at least 11 pieces of legislation relating to maritime security. Those acts of parliament include the Customs Act, the Migration Act, the Fisheries Management Act, the Environment Protection and Biodiversity Conservation Act, the Torres Strait Fisheries Act, the Crimes Act, the Defence Act, the Petroleum (Submerged Lands) Act, the Maritime Transport Security Act, the Quarantine Act and the Navigation Act.

Under those respective pieces of legislation, the powers and authorities given to officers of the Commonwealth vary enormously. There is no dedicated chain of command in the preparation of briefs of evidence. Who is a prosecuting authority? What powers of coercion are exercisable and when? That is a completely unsatisfactory state of affairs for the legislative and legal framework that applies to border protection. Yet the government has failed to provide any comprehensive review to examine those inconsistencies across this raft of legislation and to assess what needs to be done to coordinate them.

These powers are fragmented and overlapping. No doubt this has given rise to confusion that surrounds the rules of engagement, for instance, of our naval and Customs maritime surveillance vessels. Under present arrangements, Customs and Fisheries vessels are specifically empowered by legislation to fire into the propulsion mechanisms of fleeing illegal vessels in Australian waters, but they are without the weaponry to do so. On the other hand, our naval vessels have the weaponry to undertake that task but their rules of engagement constrain them from doing so. While the government has sought to greater coordinate the interaction between our Customs vessels and our Defence vessels in the establishment of the joint offshore protection unit, clearly much needs to be done in coordinating our law enforcement capability and response in the area of maritime security.

At the heart of Australia’s maritime security concerns there is, in any event, a fundamental lack of resources available to these agencies to patrol Australia’s maritime borders. With some 37,000 kilometres of coastline, the maritime unit vessels—eight Bay class patrol boats and the Navy’s 15 Fremantle class patrol boats, which will be replaced by 14 Armidale class patrol vessels—are being asked to perform the task of securing the nation’s borders with nowhere near the resources needed. Indeed, one expert has said that to cover the same amount of land as they are required to cover of the ocean would be equivalent to having something like only 133
50 police cars to patrol the whole of Australia. We are totally under-equipped in our ability to fight illegal activity in our maritime zone.

For instance, every year thousands of illegal fishing vessels sail into Australian waters. Recent reports demonstrate that these vessels are becoming increasingly bold. In some instances, these vessels are now fishing in the river systems of the Australian mainland. They are landing to obtain water and are now searching for crabs in our inland streams. These illegal vessels are not only plundering Australia’s exclusive economic assets but represent a significant threat to Australia’s national security by exposing the Australian people and our aquaculture to new forms of disease—let alone raising the spectre of illegal drug trafficking and people-smuggling. Indeed, there is the potential for a catastrophic release of a biological disease. I understand that most of these vessels have chickens on board for food and, quite frequently, dogs for companionship. With the possibility of the release of bird flu, for instance, on our shores or, even worse, rabies, we cannot dismiss that as a fanciful possibility. For so long as we permit these vessels to land on our shores that is a significant risk. Nor can we dismiss the fact that perhaps the most damaging form of terrorist assault on our nation would be through the release of some exotic disease, such as foot and mouth disease, that could easily be transmitted through these vessels.

This is a problem that the Minister for Justice and Customs has admitted, at least in terms of his admission that the problem of illegal fishing is getting worse. It is instructive to note that in its response the government has set a precedent of directing private fishermen to interdict and detain suspected illegal vessels in circumstances where Customs or naval vessels are unavailable. Essentially, the government’s response is that, if incidents occur in the north-east of Australia in the Gulf of Carpentaria, they will receive reports of illegal fishing and our 15 patrol vessels and our eight Customs vessels will swarm to that area, leaving the north-west coastline exposed to illegal fishing and compensating by directing Australian fishermen to conduct citizens’ arrests. That is a totally unsatisfactory state of affairs. The government repeatedly lauds its border protection credentials to the people of Australia, but, when you actually look at the resourcing and the empowering of our maritime zone law enforcement capability, it is entirely lacking.

In port security the situation is no less alarming. We have recently heard the Deputy Prime Minister remonstrate about regulating Australia’s ports, at least from the point of view of infrastructure planning, but nowhere has a corresponding argument been presented regarding the need for national supervision of our port security. In our ports we presently have a situation where hundreds of thousands of empty cargo containers are shipped into Australia without being screened and in some instances, as in Sydney, are stored adjacent to a major international airport—in fact, on the border of my electorate. There is a failure to prevent cargo ships entering our ports that do not report the contents of their cargo, despite legislative requirements to do so. One recalls the Prime Minister in a fanfare announcing a reporting zone. In fact, there is effectively no interdiction capacity for these vessels, meaning that all too frequently potentially dangerous cargo is being unloaded at Australia’s docks and left, as we have been advised by government officials, for a couple of days before Customs establishes the contents of that cargo—at least, from the documentation, let alone conducting any sort of basic security assessment to identify the source of the cargo and the identity of the ship and then make a
determination as to whether the material should be X-rayed.

As has been identified by expert advice, there is also a lack of specialised port police such as those operating in the United Kingdom and the United States, which operate a very successful sea marshals program. There is also a conspicuous absence of land transportation initiatives to ensure that security arrangements are in place beyond the points of arrival at Australia’s ports and airports. I think it is quite shameful—and here I condemn not only the federal government but also the state governments—that rail security has been virtually unchanged other than some basic education and surveillance installed at railway stations. Essentially, there has been no real drive to protect public transport.

I note the government, in a measure we would recognise, announced in the budget the creation of additional bomb detector dogs for Customs. It seems to me entirely reasonable that the Australian people be entitled to that sort of protection on our railways. It would not be an overly complex or expensive arrangement for the Commonwealth and states to combine their resources to initially have dog bomb detection teams available to patrol our railway platforms and trains for the purpose of giving passengers greater security, given the ability of those dogs to sniff passenger luggage that may potentially, as we found with the Madrid bombings, carry explosives.

In terms of the fragmentation of law enforcement, we see, when looking at maritime interdiction responsibilities and port security, that the government is all too content to leave arrangements to state police forces. For instance, we saw in New South Wales the announcement in the Sunday papers that the New South Wales government is introducing new boats for its state water police force. But maritime security involves risks to Australia generally, particularly its infrastructure and economy, and you cannot sensibly have in this day and age a situation where the degree of security at any particular port is dependent upon the affluence or determination of a state government. Clearly, this is a federal government responsibility. Just as the Minister for Transport and Regional Services, John Anderson, has said that port infrastructure is of such significance that it is a national government responsibility, so also, we believe, is the security of our nation’s ports.

We note that the fragmentation of Australia’s security arrangements is not limited to the maritime environment. The responsibility for aviation security is spread across a myriad government departments, including Customs, the Department of Transport and Regional Services, the Australian Quarantine and Inspection Service, the Department of Immigration and Multicultural and Indigenous Affairs, the Australian Security Intelligence Organisation, the Australian Federal Police and a whole range of state government agencies. It has been three years since the September 11 attacks, yet the 2005-06 budget fails to address the systematic aviation transport security weaknesses that remain and that threaten Australia’s national security. Australia’s aviation industry services approximately 50 million international and domestic passenger movements each year, yet the government cannot assure the Australian public that they are safe when travelling through our airports.

Although the issue at the forefront of the current debate concerns allegations that baggage handlers at our airports are involved in an elaborate drug-smuggling operation, the concerns of airport security do not stop there. While it is inappropriate to pass comment on the merits or otherwise of the decision of the Indonesian courts in the case of Schapelle Corby, I think it is fair to say that most Aus-
tralians would accept that there is at least a possibility that is not a fanciful possibility that her bags were meddled with and drugs were placed in them. Irrespective of competing arguments and competing obligations in respect of the onus of proof in that case, the mere fact that there is an acknowledgement—and I understand it was an acknowledgement that was contained in official correspondence between the Australian government and court officials—that we recognise the potential for such meddling with passenger luggage is quite alarming.

In that context, last week we saw the minister for transport dismiss the relevance of removing from office at least temporarily the Inspector of Transport Security, saying that the inspector’s role was to examine terrorist acts after they had occurred, as opposed to systematic security breaches. If there is evidence of systematic criminal breaches, it is in respect of workplace disciplinary actions and admissions by baggage handlers that they have indeed meddled with passenger luggage to the point where we have seen photos of a baggage handler driving across an airport wearing a camel outfit. While that image is comical, the prospect of passenger baggage being meddled with is not. What the minister for transport has not acknowledged is that if, as we all accept, it is possible that a passenger’s bag has been meddled with and indeed drugs have been placed in that bag, it is illogical to also dismiss the possibility that an explosive device could be placed in a bag. So for the minister to dismiss the significance of that meddling as mere criminality, as opposed to criminality that in fact could be replicated in a terrorist event—which is of course the worst form of criminality—is naïve in the extreme.

The bottom line is that Australia’s travelling public cannot be satisfied that the government places a priority on their security interests. The government is all too keen to laud its security credentials, but when you analyse and dissect what it is actually doing you find it to be sorely wanting. There have been a range of breaches since July 2004, with at least 15 breaches of airport security being publicly recorded. They range from the early morning sabotage of Victoria’s air ambulance fleet at Essendon to the theft of a light aircraft from St George aerodrome in south-east Queensland. They include a whole range of allegations about tampering with passenger baggage. But rather than acknowledging these failings and the need to conduct a proper audit of what is wrong at our airports, the government dismisses these as not being of any significance, other than saying that they are criminal events and require investigation by state law enforcement authorities. The government justifies our remaining in a situation where we have no-one presently occupying the office of Inspector of Transport Security. This typifies a government that is all too keen to speak of its national security credentials but is found wanting when it comes to actually delivering the goods. (Time expired)

Debate (on motion by Mr Pearce) adjourned.

ADJOURNMENT

Mr Pearce—Order! It being 10.30 pm, I propose the question:

That the House do now adjourn.

Job Network

Mr MELHAM (Banks) (10.30 pm)—For some of my constituents, dealing with Centrelink and the Job Network is a high price to pay for getting a job. Today I want the record to reflect the thoughts of one of those constituents, who wrote to me on 1 March 2005. Lisa wrote to articulate her frustration at her experiences with the Job Network:
Dear Mr Melham

I was reading your editorial for “government for the few, not the many” in the September issue 2004.

I would like to express my concerns on the Centrelink issue.

It makes me very angry about the Job Networks that the only way to get help with finding work is only for the ones who have been unemployed for more than a year. Where does that leave people like myself who really want work, but need that extra bit of help? We get nothing while the lazy ones get it all!

Centrelink tells us, you have to go to your Job Network member, they help you with fares if you need to go to a job interview.

But that does not include people like myself who have only been unemployed since November ’04.

The fortnightly forms are just as bad and the diaries because it asks how we found the jobs we apply for, and how can the Job Network member help me? We are meant to meet with a Job Network member once a week or month, but I can’t because I’m not unemployed long enough.

What is the Government doing, making large cutbacks or what? Where’s the help for the people who want to work?

The Government wants to cut down the unemployed, yet all the assistance goes to the long term unemployed. I need help, where do I go?

I get no support when going to interviews or preparing because I don’t qualify. It’s all wrong, the Government has messed up big time.

We need help too, as the assistance should be there for people like myself who want it and need it as well. I hate the dole. I want to get off it but if I want help they expect you to be on it for more than a year! I can’t afford to!

I want to work, I hate being broke all the time, and I need work for my two children so I can have them back home with me where they belong.

I need help but I’m just not getting it from anyone. Can you help me in anyway, Mr Melham?

Yours sincerely,

Lisa

To maintain her privacy, I have not quoted Lisa’s full name or address. Lisa has been unemployed for six months. She desperately wants to work, yet the system is letting her down. Lisa understands that she needs help in preparing for jobs, yet she must wait until she is unemployed for some time before this is available to her. She has been advised that intensive assistance is not available until she has been unemployed for some time. I draw the attention of the House to the publication Job seekers: your guide to Job Network, which on page 8 states:

Step 3: After 3 months

If you have not found work 3 months after signing up as looking for work with Centrelink and Job Network, your Job Network member will give you more specialised one-to-one assistance. This is called Intensive Support.

To me, ‘Will give you’ reads as an unequivocal statement, yet Lisa was told by her Job Network provider that intensive support would not be available to her for 12 months. Further inquiries to Centrelink were made by my office, and my staffer was told that intensive assistance ‘may be offered’. This confusion is not only unprofessional but unsatisfactory for someone who wants to work.

A separate document, Job network service guarantee, outlines the services a job seeker can expect. It states:

These services will be culturally sensitive to your circumstances and background as well as tailored both to your needs and available job opportunities.

Lisa’s letter plainly demonstrates that this is not the case. Here we have a person who wants to work and who recognises her needs in relation to obtaining work, yet the system is letting her down. Not only is the system not providing Lisa with the assistance she desperately wants but also it is sending incorrect messages about what she can expect from the system. My understanding, from the documents I have quoted, is that a person
who is registered with a Job Network provider should be able to get intensive assistance after three months, yet verbal advice belies this. That is unacceptable. Regardless of that, what sort of system is it that says to someone who desperately wants to work, ‘You have to wait until you’ve been unemployed for 12 months before we will work with you to help you get work’? It seems to be a perverse catch-22 type situation. I draw the attention of the minister to this absurdity.

Volunteer Small Equipment Grants

Mr HARTSUUKER (Cowper) (10.34 pm)—Of all the programs which are directly funded by the Commonwealth, the volunteer small equipment grants are one of the most valued and successful. Although relatively small in dollar terms, in small community-based organisations the grants usually translate into big outcomes. As I have said around my electorate, they are small grants that allow community groups to achieve big things.

Of the most recent volunteer small equipment grants announced by Minister Patterson, 21 grants were awarded to organisations within my electorate of Cowper that provide invaluable voluntary community services. The grants extended to all corners of the Cowper electorate. In the north, the Lower Clarence Amateur Swimming Club is thrilled that they will be able to purchase a new portable PA and microphone with a folding table. When I caught up with the secretary of the club, Jackie Sykes, she told me how difficult it was for the club to continually fundraise. ‘These funds,’ Jackie told me, ‘will mean we don’t have to continue to borrow PA equipment from the school.’ The Lower Clarence Amateur Swimming Club is very much a family club. The benefits of the grant will be enjoyed by the young swimmers and their parents, and it will certainly be very much appreciated.

This club’s positive story is repeated right across the Cowper electorate. I have also had the opportunity to visit the Glenreagh Community Pre-school, whose coordinator Narelle Cheeseman was delighted that they had been successful in securing over $1,000 for gardening and office equipment. Narelle and her team run a very tight budget at the preschool, and the funds they have been awarded will enable them to better maintain their gardens and to ensure that the administration of the preschool becomes more efficient.

When I met with Boambee Babes coordinator Annette Gordon and treasurer Megan Eggins, they were in the midst of fundraising. This is a relatively new playgroup, and they needed to purchase equipment. On 29 May they held a community fun day to raise funds. However, a volunteer small equipment grant certainly made their task much easier.

I also spoke to Ruth Holmes and Betty Sawtell from the Dorrigo and Guy Fawkes Historical Association. They will be able to purchase a new urn, vacuum cleaner, first aid kit and laser printer with the funds they have been allocated. Also, the Dorrigo and Guy Fawkes Agricultural Association Ladies Committee, who do so much good work at show time, will be able to purchase much-needed equipment to make their kitchen more efficient. I know Joyce Whelan, Phyl McRae, Betty Sawtell and Barbara Brook were delighted with the funding they received under the small equipment grant program. A very important group in Nambucca, Radio Nambucca, received $1,019 for kitchen and cleaning equipment. When I dropped in the other day I met with Alan Taylor and Jim Keel, who both do a lot of good work to keep the station afloat. They were delighted with the funding they received.
The grants are spread right throughout the electorate. Funding was secured for the Sawtell Junior Rugby League and the Englands Park Tennis Club. Vital emergency services have received funding under the program, with the Sandy Beach Bush Fire Brigade receiving a grant. I met with Jeff Taylor, Peter Cable, Vince Cooper and Richard Jose, who were thrilled with the grant they received. They were able to purchase safety equipment such as hand-held weather meters, which allow them to have up-to-date information on fire conditions in their area. It is very much a problem for our volunteer fire services when they are operating on a fire front—the weather conditions can be greatly different where they are from where the weather information is being relayed. Hand-held weather meters save lives and make fire fighting much more effective.

We have also been able to provide funding for environment groups, such as the South West Rocks dune care group, which was delighted with their grant of almost $1,500. I know that Ian Burnett and his team do a great job of assisting to regenerate the coast, ensuring that our coast, which can be highly stressed from the rapidly increasing population, is improved by the work of these volunteer groups.

We have had funding for CWAs, such the Bellingen and the Woolgoolga CWAs, to assist them with their great work. I know that Woolgoolga was planning to purchase a dishwasher with their funding because their old one had given up on them and was leaking water and difficult to use. I know that Doris Henderson, Kath Watson and Marie Scott are delighted with the grant they received under the volunteer small equipment grants. The soup kitchen at Coffs Harbour received funding, as did the Korora P&C and the creative communities at Grassy Head.

(\textit{Time expired})

\textbf{Mr Joseph Forace}

Ms ANNETTE ELLIS (Canberra) (10.40 pm)—I recently had the honour of attending the funeral service for Mr Joseph Forace, a very special and highly regarded member of the Canberra community. He was born in Malta on 7 October 1925 and, sadly, died here in Canberra on 27 April this year. In making this adjournment speech I pay my respects to Joe’s wife, Frances, his daughters Lina and Rose and his grandchildren. In making these comments, I refer to the eulogy given at Joe Forace’s funeral by his friend Barry York.

World War II led Joe to join the army and then the British Merchant Navy. His experiences included meeting many people from different backgrounds. These influences led him, briefly, to membership of the Communist Party of Great Britain. He said that his lifelong support for socialism and democracy were not products of Karl Marx but rather the teachings of Jesus Christ.

Following the war, and back in Malta, he involved himself in Malta’s struggle for justice as a member of the Malta Labor Party. In 1954 he migrated to Sydney, with his wife Frances and daughters Lina and Rose joining him later. Joe was the typical migrant worker of those times and did much hard work. He worked at the postal services and then for the President refrigerator factory as a clerk. Eventually, around 1959, he joined LJ Hooker and the world of real estate.

His political interests remained with him, and he joined the Australian Labor Party soon after arriving in this country. He also became a Malta Labor Party representative in Australia. Around 1967 he established his own real estate business. He worked hard, determined to own a home and look after his family. Joseph and his family moved to Canberra in the early 1970s when he became Malta’s High Commissioner in Canberra in 1971, a
position he held through to 1978. This was a unique appointment for a person already resident in this country. He was determined to improve the standing of the Maltese in Australia, particularly working to progress and achieve their equal treatment with other British subjects in social security reciprocity and transferability of Australian pensions. Joe’s official posts as Malta’s representative eventually extended to 18 countries. In 1977 Joe was appointed Dean of the Diplomatic Corps in Australia. He regarded this position, to use his words, as the ‘shop steward’ for all the diplomats in Canberra.

Joe Forace was the ultimate egalitarian. He applied this outlook to his diplomatic work and sought to bring representatives of mutually antagonistic governments together in Canberra, as individuals. He strongly believed international relations would be served by people getting to know and understand one another. In 1971-72 Joe acted as an unofficial intermediary for the Liberal Prime Minister McMahon, who was keen at the time to establish diplomatic relations with the People’s Republic of China. Joe earned the trust and respect of Zhou En Lai, who called him ‘his Maltese son’.

He influenced the establishment of regular Maltese newspapers and radio broadcasts, and in 1996 he was awarded the Medal of the Order of Australia for his services to the Maltese community. Joe Forace was a remarkable man. He worked for his family, the Maltese community in Australia and the international community through his diplomacy—all with a very kind heart and a genuine wish to help those seeking assistance. He could not bear to see human suffering. Joe’s family particularly treasure a letter sent to him by Mother Teresa back in 1986 in which she discussed with him her wish for her sisters to be able to work in China.

I am told his motto for life was, ‘live and let live’. Joseph Forace believed in a better world and I have no doubt we live in a world made better by the likes of Joseph Forace. On behalf of the Canberra community, we send our thanks and our deep sympathy to Joseph Forace’s family: his wife, Frances; children, Lina, Rose and John; grandchildren, Lawrence and Cathy, Anthony, Joseph, Bianca and Steve, Leonard, Natalie, Bonnie, Michael and Christian; and great grandchildren John, Jarrod, Jordan, Joseph and Brian.

Joseph Forace was a very highly valued member of this community and presented the typical perfect story of how a migrant can come into this country and strive, work hard, achieve a lot and leave a wonderful legacy through his family—his wonderful long list of descendants—and the work he did through his diplomacy on behalf of the Maltese community. It is an honour for me today to rise and speak of him in this place.

Mrs Jean Cheshire

Mr Neville (Hinkler) (10.44 pm)—On 9 April this year the Queensland Nationals lost one of our most beloved members and a true stalwart of the party, Mrs Jean Cheshire. Jean was a much loved figure of the Bundaberg district. She was a devoted wife, mother, grandmother and great-grandmother. She was a hardworking cane farmer’s wife, an active member of the community and—I speak from personal knowledge here—a superlative cook who made the best sponge cake in the district. Her cream sponges were to die for. Although born and married in Rockhampton, she spent the rest of her life in the Bundaberg region and gave much to the local community. Along with her husband, George, who was an Air Force corporal at the time of their marriage, she moved to Bundaberg, and at the end of World War II
the couple purchased a cane farm in the small community of Tegege.

The life of a cane farmer’s wife was not easy, but Jean made the most of it and it was there on the farm that she and George raised their children, Kevin, Noel, Eric, Clem and Joy. In 1965, after 22 years of hardworking but happy married life on the farm, George passed away, leaving Jean and her adult children to run the farm with some help from the Tegege locals. Jean’s hospitality was legendary, and while she might not have been able to do a full day’s work in the paddock she made sure that those who did were well provided for. It was nothing for her to fire up the old wood stove and set to cooking a huge lunch for whoever was on the property that day—sometimes up to 20 people.

In 1970 Jean made a move to Bundaberg and into a whole new style of life. Again, Jean immersed herself in the local community, lending a hand wherever it was needed. Her interests covered a wide spectrum: sport, politics, education and charity work. She became a member and later, life member, of the Bundaberg Tennis Club. She joined the National Party. She was a member of the Uniting Church, the Mater Hospital Ladies Auxiliary, Meals on Wheels, the RSL Ladies Auxiliary and both the Avondale and Kepnock high school P&C associations.

As previously mentioned, Jean’s superior skills in the kitchen were evidenced by the fact that she was also made a life member of the Bundaberg Show Society as a result of her unstoppable attempts at winning every category in the cooking section. It was not long before Jean was made chief steward of the cooking section, a responsibility that she enjoyed for 20 years. In 1988 Jean moved to a local retirement village and spoiled her new friends with her delightful company and her beautiful cooking. In fact, Jean had a book on the go full of orders for people across Bundaberg who wanted her baking. One day she overcame a broken wrist to bake 20 dozen scones for a local senior citizens party.

Jean’s funeral service at Bundaberg’s Barolin Street Uniting Church was more an event of tribute than of grief—a celebration of a full and generous life well lived. I owe a personal debt to Jean, who was a generous National Party supporter of mine. On top of the many branch duties members fulfil, Jean would always bake for party functions. We used to raffle a bottle of Bundy rum at every branch meeting, but even that was put to one side if one of Jean’s cream sponges was on offer.

There was no doubt that Jean’s greatest pride and joy was her family—her five children, 11 grandchildren and seven great-grandchildren—most of whom were present to farewell her, as were the ladies of the Mater auxiliary—an ecumenical tribute to her generosity of spirit. Perhaps her life is best described as it was during her eulogy: Jean Cheshire lived life strong; no matter what life dealt her, no matter how much things hurt, she made the best of it for her family. Vale, Jean.

F111 Aircraft

Mr BEVIS (Brisbane) (10.48 pm)—For about 27 years Australian Air Force personnel have been required to crawl into the fuel tanks of F111s to chip away the old sealant and to apply a new one to stop fuel leaking out of the aircraft. The process is widely known as the deseal-reseal process required for maintenance of F111 aircraft due to a particular feature of their design. Regrettably, the chemicals that were used in that sealant are now known to be highly toxic and dangerous to human health. A great many of those Air Force personnel who served loyally in that capacity have since contracted a range
of life-threatening illnesses for which, to this
day, they have not received compensation.

To its credit, the Air Force conducted an
open inquiry into this. I think it was trans-
parent. In July 2001 it arrived at its findings
in this matter. That board of inquiry, not sur-
prisingly, found that there had been a link
between these sealants and the health prob-
lems experienced by so many workers who
had been involved with the F111 deseal-
reseal program. The inquiry board, among
other things, said:

... the scale and duration of the problem indicates
that we are dealing with a deep-seated failure for
which no single individual or group of individuals
can reasonably be held accountable.

That is, I think, a fair summation of events.
No one person or group can be held respon-
sible for those events over 27 years. The link
was not known at the time, on the best in-
formation we had. But the people who can be
held accountable are the people who have
held the reins since that board of inquiry
made that determination in 2001. Here we
are, four years later, and still not a cent of
compensation has been made available to
those people who have continued to suffer—
some of whom are no longer with us—since
that board of inquiry made its findings in

The people who hold that responsibility
have, of course, been in the government. I
think the Air Force and the military did their
job properly on this occasion. They con-
ducted the open inquiry and they came to a
finding based on the facts. Unfortunately, a
succession of ministers have either turned a
blind eye to this or put it in the too-hard bas-
et. It is time that some justice was done for
these people. Those of us on this side of the
House have pursued this matter in the par-
lament—in questions here in the House of
Representatives and in the Senate. At Senate
estimates in February there were questions
asked about when we would see some details
of the compensation. We were told then that
the matter was still under consideration and
was yet to be determined.

That followed a statement, which was
quite bewildering in some respects, by the
Minister for Veterans’ Affairs, De-Anne
Kelly. On 21 December last year the minister
issued a statement which seemed to demon-
strate some hope. That statement indicated
that there would be compensation paid, and
the government appeared to be accepting its
responsibility, not because this government
was responsible for what happened for 27
years but because it happened to be the gov-
ernment in control of the show when the
findings of the board of inquiry became
known.

In December last year it appeared as
though something may occur. There has been
little evidence since then, other than more
press statements, that anything is going to
happen. But the minister’s statements in De-
cember also raised some concerns because
the minister said the payments would be
based on the level of exposure. She went on
to say in an interview that ‘someone who
may have been in the tank, for instance, for
one day obviously has had a significantly
lower level of exposure than somebody who
may have worked on the tanks for months or
years on end.’

That is an obvious statement of fact. It
does not follow that your exposure necessar-
illy equates to the illness you suffer. The can-
cer rate amongst desealers is 50 per cent
higher than in other members of the Defence
Force. Many suffer respiratory or skin dis-
eases, erectile dysfunction, or cardiovascular
or neurological complaints. Depression is
common; constant pain is their lot. Domestic
violence and family breakdowns ensue. A
very good article by Paul Daley in the Bulle-
a couple of weeks ago chronicled their concerns. He said:

It is a harrowing experience to sit with two desperately ill mates, both fathers in early middle age, while they blithely discuss suicide as if it were merely another medical treatment open to them.

It is time the government acted. They have had this finding for four years. It is time they did something to provide justice to these people and their families.

Wakefield Electorate: Infrastructure

Mr FAWCETT (Wakefield) (10.53 pm)—I rise today to acknowledge the work of local residents and local government people within the electorate of Wakefield as they work to improve the condition of roads and the infrastructure that they rely on. I talk particularly of people like the Wakefield Regional Council Mayor James Maitland, Phil Barry and Simon Millcock, as I have spoken with them over the last months either individually or as part of a broader group of councils and local residents looking at how the road infrastructure there can benefit not just the people in the Wakefield Regional Council but also the region. In particular, we have looked at things like the requirements for a bypass in the Port Wakefield area.

Many people tend to look at that and say: ‘It is a national highway. Therefore, it must fall solely in the realm of the federal government,’ but they overlook the fact that there is an awful lot of work done by people on the ground to bring those things together.

For example, the $243,000 spent on the intersection of Everard Central-Templers Road and Balaklava-Mallala Road—or Hoskins corner as it is known locally—came from the federal government as part of the $45½ million national black spot program. That is a great contribution from us, but the fact is the people on the ground who daily face the risks that intersection causes them and their families did the hard yards to identify and quantify the risks, to put in the applications to back them up, and to seek the support to make sure that that money actually got spent to improve that intersection for the people. The black spot program is terrific and I am glad to see the government have extended it for a further two years at a cost of $90 million. But, again, the figures—good as they are—cannot replace the fact that it is a partnership with locals who actually bring these good results to pass.

The Roads to Recovery money in particular has also resulted in good outcomes—but, again, largely on the part of people in the electorates who do the hard yards to identify where the work is required. I met recently with the residents of Thompson Beach to look at the road leading down to Thompson Beach from Dublin. While they were very happy to see that the Mallala council had Roads to Recovery money to spend on that, they highlighted the fact that the road condition affects all of their families, particularly mums who have to drop kids off at school regardless of the weather. Even though some people consider it a dry weather road, these people have no choice but to drive on that road when it is wet, in the rain and at night. So they were particularly happy to see that Roads to Recovery money has come forward for that program. But they also point out—as they should—with the support of the council, that more is needed to complete the sealing
of that road, as it runs right through to Dub-
lin. Within Wakefield there are a number of
allocations to councils—to Clare and Gilbert
Valleys Council, over $983,000 over the next
four years; to Gawler, $716,000; to Light
Regional Council, $939,000; and more to
Mallala, Playford, Salisbury and Wakefield
Regional Council.

The Roads to Recovery program is a great
program. It has received good support, but
this government does not do it alone. It
works with the cooperation of people in the
electorates to identify where the needs are.
On that basis, I would like to particularly
note the work of Mayor Des Shanahan from
the Light Regional Council and Peter Beare,
his CEO, who have worked very hard to se-
cure funding for Dorrien Bridge. Dorrien
Bridge is a small bridge, but it is an impor-
tant access road for people from the wine
industry to get their freight out. The Aus-
trian government, through a $30 million pro-
gram, is assisting states and territories to
strengthen bridges on arterial and local roads
so they can carry larger and heavier freight-
efficient vehicles. While we recently upped
the amount to $400,000 to replace the bridge,
it also took a large contribution on behalf of
the council and work from both Des
Shanahan and Peter Beare to bring that
about. I congratulate them on their efforts.

Taiwan: World Health Assembly

Mr DANBY (Melbourne Ports) (10.58
pm)—Recently there have been some hope-
ful signs of rapprochement in the relations
between Taiwan and China, particularly over
the issue of international health—an issue
that since the SARS virus and the threat of
the avian flu is becoming more and more
acute for the people of the Asia-Pacific. The
visits of Lien Chan, the head of the KMT,
and James Soong to China were visits of
goodwill. The Chinese leadership, particu-
larly Jia Qinglin, the chairman of the Peo-
ple’s Political Consultative Conference, has
led a lot of people in Taiwan to the hope that
there would have been some Chinese easing
of restrictions on Taiwan’s participation in
the World Health Organisation. Taiwan par-
ticipates in the World Trade Organisation, in
the Asian Development Bank and in APEC.
It also takes its part in the Olympic Games.
Taiwan’s admission to these organisations
does not imply any recognition of the Repub-
lic of China as a state and does not indicate
hostility to the People’s Republic of China.

Taiwan is home to 23 million people. It
has a larger population than 140 states which
are currently members of the World Health
Assembly. It is a major trading nation, a re-

gional financial centre and a centre of both
inbound and outbound tourism. Taiwan has
an advanced health services sector and is
both able and willing to make a significant
contribution to the work of the World Health
Assembly to the benefit of its neighbours and
developing countries.

Taiwan’s exclusion from the World Health
Assembly, as I suggested earlier, has an ad-
verse impact on its public health system,
quarantine services and communicable dis-

eases control. It makes cooperation between
Taiwan and its neighbours, not only China
but other countries in the region, in prevent-
ing and controlling regional health changes
such as HIV-AIDS, SARS and avian influ-
enza more difficult. It is harmful to both the
people of Taiwan and the people of the Asia-
Pacific region. That is why even people from
the KMT who were in China prior to the vis-
its of Lien Chan and James Soong were very
disappointed when the Chinese leadership
insisted that facilitation of the World Health
Assembly had to be undertaken via Beijing.

A KMT legislator, Chu Feng-chih, who
had visited China prior to Lien Chan’s ep-
och-making visit, expressed the sense of an-
noyance that many Taiwanese people felt at
China’s attitude and apparently going back on what had been promised to James Soong and Lien Chan from the KMT. Chu Feng-chih said:

Here in Geneva—at the World Health Assembly—we see absolutely no sign of China’s goodwill. Its promise to help Taiwan join the WHO is merely words. If China really cares about the Taiwanese people’s health, it should show its concern through actions.

What we see here is that China is blocking our WHO bid in all aspects. We feel very disappointed and find it hard to trust China. We Taiwanese are not fools. If China really cares about us, it should let us join the WHO as an observer right now.

They are the views of a lot of people in this parliament. This is not simply a matter of cross-strait relations and people’s views on relationships between those two countries; this is a matter of all countries in the world understanding that health issues are not able to be solved by nationalist or geographic slogans.

It is a great shame that Taiwan has been prevented from participating in the World Health Assembly. It has a lot of goodwill, expertise and financial resources. Whatever one’s views of the merits of China’s stance on Taiwan, which I understand has moderated somewhat recently, it is a great shame that Taiwan was not able to have full observer status at the World Health Assembly, as it has at the other organisations I mentioned. For the future health of not only the Taiwanese people but also the Chinese people and all the people in the region, it would be a very good thing if Taiwan were able to achieve such observer status in the future.

Question agreed to.

House adjourned at 11.04 pm

NOTICES

The following notices were given:

MR BOWEN to move:
That this House:

(1) notes that 5 July 2005 is the 60th anniversary of the death of John Curtin;

(2) notes that Australia turned to John Curtin for leadership at the time of our greatest crisis in history and that he is widely regarded as the greatest Prime Minister Australia has had;

(3) Records that John Curtin warned that Australia needed to be better prepared for war and also determinedly argued that the first responsibility of Australian armed forces was the defence of Australia; and

(4) calls on the Federal Government to mark the occasion of the 60th anniversary of Curtin’s death with a decision to construct an appropriate Curtin memorial in Canberra.

MR MARTIN FERGUSON to move:
That this House, in acknowledging the statement by Toni Morrison, winner of the 1993 Nobel Prize for Literature, that “access to knowledge is the superb, the supreme act of truly great civilisations” recognises:

(1) that the public library is a profoundly important cultural, economic and sound institution;

(2) that public libraries house a vast range of resources and contribute significantly to nurturing more resilient, active and confident communities;

(3) that public libraries are well known, easily accessed and widely used; and

(4) the responsibility of government to nurture the development of public libraries and to encourage libraries to forge stronger partnerships with community groups, government and business.
QUESTIONS IN WRITING

General Practitioners
(Question No. 76)

Ms George asked the Minister for Health and Ageing, in writing, on 16 November 2004:

(1) For the electoral division of Throsby, how many general practitioners were practising in (a) 2000, (b) 2001, (c) 2002, and (d) 2003.

(2) For each year since 2000, (a) how many general practitioners were practising, and (b) what was the general practitioner to population ratio in the postcode area (i) 2502, (ii) 2505, (iii) 2506, (iv) 2526, (v) 2527, (vi) 2528, (vii) 2529, and (viii) 2530.

(3) For each year since 2000, (a) how many general practitioners were practising, and (b) what is the general practitioner to population ratio in (i) the Wollongong Local Government Area, and (ii) the Shellharbour Local Government Area.

(4) For (a) Australia, (b) New South Wales, and (c) the electoral division of Throsby, (i) how many general practitioners are practising, and (ii) what is the general practitioner to population ratio.

(5) For the electoral division of Throsby, how many specialist medical practitioners were practising in (a) 2000, (b) 2001, (c) 2002, (d) 2003, and (e) 2004.

(6) Which part(s) of the electoral division of Throsby can be classified as a District of Workforce Shortage.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) (a) (b) (c) and (d) General Practitioner workforce statistics are compiled on a Financial Year basis and are derived on the basis of servicing provider postcode. The numbers of General Practitioners who practised in the electoral division of Throsby were as follows:

<table>
<thead>
<tr>
<th>Type of Provider</th>
<th>2001-02</th>
<th>2002-03</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Practitioners</td>
<td>100</td>
<td>104</td>
<td>104</td>
</tr>
</tbody>
</table>

It should be noted that the simple headcounts given above do not account for differences in the number of services claimed and will include a high proportion of casual and part-time practitioners. Therefore it will not accurately represent the supply of doctors.

A more accurate statistic is the Full-Time Equivalent, which is a standardised measure to estimate the number of full-time doctors which adjusts for the partial contribution of casual and part-time doctors. The Full-Time Equivalent numbers of General Practitioners who practised in the electoral division of Throsby were as follows:

<table>
<thead>
<tr>
<th>Type of Provider</th>
<th>2001-02</th>
<th>2002-03</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Practitioners</td>
<td>82</td>
<td>85</td>
<td>87</td>
</tr>
</tbody>
</table>

(2) The smallest geographical area for which the Department routinely produces statistics is the Commonwealth Electoral Division. In your question, you requested data for numerous postcodes that are wholly or partially contained within the electoral division of Throsby. We have therefore provided information for this electoral division.

(a) General Practitioner workforce statistics are compiled on a Financial Year basis and are derived on the basis of servicing provider postcode. The numbers of General Practitioners who practised in the electoral division of Throsby were as follows:
Number of General Practitioners in the Federal Electorate of Throsby

<table>
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<th>Type of Provider</th>
<th>2001-02</th>
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<td>82</td>
<td>85</td>
<td>87</td>
</tr>
</tbody>
</table>

(b) (i) to (viii) The measure used by the Department is the ratio of population to Full-Time Equivalent Practitioners.

The ratio for the Throsby electorate is as follows:

<table>
<thead>
<tr>
<th>Ratio of population to Full-Time Equivalent General Practitioners in the Federal Electorate of Throsby</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Provider</td>
</tr>
<tr>
<td>General Practitioners</td>
</tr>
</tbody>
</table>

(3) (a) (b) (i) It is not possible to provide Medicare statistics for the nominated local government areas at the present time. Medicare statistics are captured at the practitioners’ practice postcode level and it is necessary to use concordances to apportion the statistics to other regions. While these concordances are reliable for allocating postcode level data to Federal electorates, allocation to finer regions such as local government areas is problematic.

(4) (a) (b) (c) (i) The numbers of General Practitioners in Australia, New South Wales and the Federal electorate of Throsby are:

<table>
<thead>
<tr>
<th>Number of General Practitioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-04</td>
</tr>
<tr>
<td>Australia</td>
</tr>
<tr>
<td>New South Wales</td>
</tr>
<tr>
<td>Throsby Electorate</td>
</tr>
</tbody>
</table>

It should be noted that the simple headcounts given above do not account for differences in the number of services claimed and will include a high proportion of casual and part-time practitioners. Therefore it will not accurately represent the supply of doctors.

A more accurate statistic is the Full-Time Equivalent, which is a standardised measure to estimate the number of full-time doctors which adjusts for the partial contribution of casual and part-time doctors. The Full-Time Equivalent numbers of General Practitioners in Australia, New South Wales and the Federal electorate of Throsby are:

<table>
<thead>
<tr>
<th>Full-Time Equivalent number of General Practitioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-04</td>
</tr>
<tr>
<td>Australia</td>
</tr>
<tr>
<td>New South Wales</td>
</tr>
<tr>
<td>Throsby Electorate</td>
</tr>
</tbody>
</table>
(ii) The measure used by the Department is the ratio of population to Full-Time Equivalent (FTE) General Practitioners.

The ratios for Australia, New South Wales and the electoral division of Throsby are:

<table>
<thead>
<tr>
<th>Ratio of population to Full-Time Equivalent General Practitioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-04</td>
</tr>
<tr>
<td>Australia</td>
</tr>
<tr>
<td>New South Wales</td>
</tr>
<tr>
<td>Throsby Electorate</td>
</tr>
</tbody>
</table>

(5) (a) (b) (c) (d) and (e) The numbers of Specialists practicing in the electoral division of Throsby were as follows:

<table>
<thead>
<tr>
<th>Number of Specialists in the Federal Electorate of Throsby</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Provider</td>
</tr>
<tr>
<td>Specialists</td>
</tr>
</tbody>
</table>

It should be noted that the simple headcounts given above do not account for differences in the number of services claimed and will include a high proportion of casual and part-time practitioners. Therefore it will not accurately represent the supply of doctors.

A more accurate statistic is the Full-Time Equivalent, which is a standardised measure to estimate the number of full-time doctors which adjusts for the partial contribution of casual and part-time doctors. The Full-Time Equivalent numbers of Specialists practising in the electoral division of Throsby were as follows:

<table>
<thead>
<tr>
<th>Full-Time Equivalent number of Specialists in the Federal Electorate of Throsby</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Provider</td>
</tr>
<tr>
<td>Specialists</td>
</tr>
</tbody>
</table>

(6) The electoral division of Throsby is made up of the Shellharbour and part of the Wollongong statistical local areas (SLAs). For the purposes of granting exemptions to allow overseas trained general practitioners to receive payment of Medicare benefits for professional services provided, the SLA of Shellharbour is a District of Workforce Shortage. The SLA of Wollongong is not currently considered to be a District of Workforce Shortage.

Statistical Notes

These statistics relate to all providers of at least one service on a “fee-for-service” basis and for which Medicare benefits were processed by the Health Insurance Commission in the years in question. Excluded are details of services to public patients in hospital, to Department of Veterans’ Affairs patients and some compensation cases.

The simple headcounts given above do not account for differences in the number of services claimed and will include a high proportion of casual and part-time practitioners. Therefore it will not accurately represent the supply of doctors.

It is for this reason that Full-Time Equivalent (FTE) practitioner is the statistic used in the population ratios given above. FTE is a standardised measure to estimate the number of full-time doctors which adjusts for the partial contribution of casual and part-time doctors. FTE is calculated by dividing each doctors Medicare billing by the average billing of full-time doctors for the reference period. Where the doctor’s Medicare billing is greater than or equal to the mean billing of full-time doctors, then the FTE is capped at one.

In general terms, practitioners with at least 50% of Schedule fee income from non-referred (GP) attendances in the June quarter of the years in question were considered to be General Practitioners. All other practitioners, including optometrists and some dentists who provided services under Medicare, were categorised as “Specialists.”
These statistics were compiled from Medicare data on the basis of servicing provider postcode. In compiling statistics for Federal electoral division boundaries, statistics by servicing provider postcode were mapped to electorate according to the proportion of the population of each postcode in each Federal electoral division.

State-level statistics were compiled by allocating each postcode to a single state only. National statistics are the aggregate of all providers.

The electorate populations used in Population to FTE ratios were supplied as a special order by the Australian Bureau of Statistics. The state national populations used were obtained from the Australian Bureau of Statistics’ June 2004 Australian Demographic Statistics cat no. 3101.0.

**Constitution Education Fund**

(Question No. 158)

Mr Melham asked the Treasurer, in writing, on 17 November 2004:

(1) Can he confirm that the Commonwealth Government has made donations to the Constitution Education Fund – Australia (CEF-A) – ABN: 76 750 439 829 an allowable tax deduction; if so, when and by whom was the decision made and announced.

(2) Were representations made to (a) him, (b) the then Minister for Revenue and Assistant Treasurer, Senator Helen Coonan, (c) his department, and (d) the Australian Taxation Office about making donations to the CEF-A an allowable tax deduction; if so, when and by whom were the representations made.

(3) Is he aware that the CEF-A is collocated with and controlled by leading members of Australians for a Constitutional Monarchy with Ms Kerry Jones serving as the CEF-A’s Executive Director.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) Donations made to the Constitution Education Fund after 20 June 2003 are tax deductible. The Government’s decision was announced by Senator the Hon Helen Coonan on 20 June 2003, enabling tax deductibility of donations from this date. The amendments to the Income Tax Assessment Act 1997 giving effect to this decision were passed by both houses of Parliament and received Royal Assent on 30 June 2004.

(2) I received no representations on the matter. Ken Traill, Director of K A Traill Tax Consulting wrote to Senator the Hon Helen Coonan in April 2003 seeking tax deductibility of donations to CEF-A. Professor David Flint (the Trustee of the Fund) also wrote to Senator Coonan in April 2003 seeking deductible gift recipient status.

(3) Decisions to give DGR status to organisations are based on merits only.

**Remuneration**

(Question No. 780)

Mr Martin Ferguson asked the Treasurer, in writing, on 10 March 2005:

(1) At 1 March 1996, what were the salary and conditions of employment, including any allowances and bonuses paid, to the (a) Governor of the Reserve Bank of Australia and (b) Secretary to the Treasury.

(2) Since 1 March 1996, what increases in salary and improvements in conditions of employment, including any allowances and bonuses paid, have applied to the (a) Governor of the Reserve Bank of Australia and (b) Secretary to the Treasury.

(3) For each financial year since 1 March 1996 what have been the movements in the (a) Consumer Price Index, (b) Average Weekly Ordinary Time Earnings, and (c) Average Weekly Earnings.

Mr Costello—The answer to the honourable member’s question is as follows:
(1) (a) Under Section 24A of the Reserve Bank Act 1959, the terms and conditions relating to remuneration and allowances of the Governor of the Reserve Bank of Australia (RBA) are determined by the RBA Board.

Details of the remuneration of the executives of the RBA are published each year in the Bank’s Annual Report, consistent with its reporting obligations under the Commonwealth Authorities and Companies Act 1997.

(b) From March 1996 until March 2000, remuneration for Secretaries of Departments was determined by the Remuneration Tribunal; thereafter, remuneration for Secretaries has been determined by the Prime Minister under section 61 of the Public Service Act 1999.

(2) (a) The Governor’s salary has moved over this time in line with the annual increase in base salaries of RBA staff. The Governor does not receive bonuses or performance pay.

(b) The attached table records the movement in remuneration payable to the Secretary to the Treasury over the period specified by the honourable member. The table records that, until July 1998, Secretaries were in receipt of a loss of tenure allowance in addition to salary; from March 1999, remuneration packages were revised to provide for total remuneration, which was made up in part by a base salary amount. The table also records that, from April 2000, Secretaries were eligible for performance bonuses of up to 15% of total remuneration.

(3) (a) to (c) Percentage change in the Consumer Price Index, Average Weekly Ordinary Time Earnings, and Average Weekly Earnings are available from the Australian Bureau of Statistics (ABS. Cat. No. 6401.0 and 6302.0) and are published on a quarterly basis.

Attachment

SECRETARY TO THE TREASURY

<table>
<thead>
<tr>
<th>Date</th>
<th>Salary</th>
<th>Loss of Tenure Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 March 1996</td>
<td>$145,467 pa</td>
<td>$29,093 pa</td>
</tr>
<tr>
<td>30 April 1996</td>
<td>$147,794 pa</td>
<td>$30,150 pa</td>
</tr>
<tr>
<td>2 January 1997</td>
<td>$151,430 pa</td>
<td>$30,286 pa</td>
</tr>
<tr>
<td>10 July 1997</td>
<td>$153,701 pa</td>
<td>$30,740 pa</td>
</tr>
<tr>
<td>1 July 1998</td>
<td>$156,775 pa</td>
<td>$31,355 pa</td>
</tr>
<tr>
<td>31 March 1999</td>
<td>$205,000 pa</td>
<td>$276,000 pa</td>
</tr>
<tr>
<td>31 March 2000</td>
<td>$222,500 pa</td>
<td>$305,000 pa</td>
</tr>
<tr>
<td>27 May 2001</td>
<td>$233,089 pa</td>
<td>$319,300 pa</td>
</tr>
<tr>
<td>2 May 2002</td>
<td>$240,316 pa</td>
<td>$329,200 pa</td>
</tr>
<tr>
<td>20 May 2003</td>
<td>$249,930 pa</td>
<td>$342,370 pa</td>
</tr>
<tr>
<td>24 May 2004</td>
<td>$259,683 pa</td>
<td>$355,730 pa</td>
</tr>
</tbody>
</table>

Performance Bonus

<table>
<thead>
<tr>
<th>Period</th>
<th>Bonus Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 April 2000 to 31 March 2001</td>
<td>up to 15%</td>
</tr>
<tr>
<td>1 April 2001 to 31 March 2002</td>
<td>up to 15%</td>
</tr>
<tr>
<td>1 April 2002 to 30 June 2003</td>
<td>up to 15%</td>
</tr>
<tr>
<td>1 July 2003 to 30 June 2004</td>
<td>up to 15%</td>
</tr>
</tbody>
</table>
**Goods and Services Tax**

(Question No. 787)

Mr Murphy asked the Treasurer, in writing, on 10 March 2005:

1. Has he read the article titled ‘Give us GST share and we’ll cut tax: Carr’ in the *Sydney Morning Herald* on 9 March 2005 which reported that the Premier of NSW claimed NSW would be able to cut taxes if the Federal Government stopped short-changing the State on GST revenue; if not, why not;

2. Can he confirm that the Government (a) collects $13 billion in GST from the people of NSW per year and (b) provides NSW only $10 billion of GST revenue per year; if not, why not;

3. Will he return to NSW all the GST paid annually by the people of NSW; if so, when; if not, why not.

Mr Costello—The answer to the honourable member’s question is as follows:

1. Yes.

2. (a) No. The ATO advises that there is no reliable and accurate measure of the actual amount of GST revenue collected from the people of each State. This is primarily because businesses which operate nationally may collect GST in a number of States, but only pay the GST to the ATO from a head office located in a particular State. It also recognises that residents from one State can pay GST in another State.

   (b) The 2005-06 Budget estimates that NSW will receive $9,937.5 million in GST revenue in 2004-05 and receive a windfall gain from tax reform of more than $257 million.

3. The Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, which all States agreed to in 1999, provides that all GST revenue will be distributed among the States and Territories in accordance with horizontal fiscal equalisation principles, based on the relativities recommended by the Commonwealth Grants Commission (CGC). Since the introduction of the GST in 2000-01, the Australian Government has followed the terms of the Agreement in full.

   At the meeting of the Ministerial Council for Commonwealth-State Financial Relations on 23 March 2005, the NSW Treasurer did not seek any a change or variation to the CGC’s recommended relativities.

**Orchestras**

(Question No. 901)

Mr Murphy asked the Minister representing the Minister for the Arts and Sport, in writing, on 17 March 2005:

Following the draft findings and recommendations of the national review of Australia’s symphony orchestras conducted by James Strong, can the Minister guarantee that there will be no Commonwealth funding cuts to any of those orchestras; if so, what are the details; if not, why not.

Mr McGauran—The Minister for the Arts and Sport has provided the following answer to the honourable member’s question:

A New Era – the report of the Orchestras Review 2005 marks an important point in the history of Australia’s orchestras.

Reinforcing the key messages of the 1999 Major Performing Arts Inquiry, the Review confirms a number of important principles which should ensure that Australia continues to have sustainable and vibrant orchestras: responsible governance, realistic financing, viable employment arrangements and sustainable structures.
Concerns have been raised by the music sector and the community generally about the reductions in ensemble size proposed by the Review. Commentators have stressed the cultural, social and educational value of orchestras to the community and the negative impact reductions in the size of orchestra ensembles could have.

I am pleased to confirm that the Australian Government has announced a commitment of $25.4 million in response to the recommendations of the Strong Report, including providing significantly increased funding to allow the Tasmanian Symphony Orchestra, The Queensland Orchestra, the West Australian Symphony Orchestra and the Adelaide Symphony Orchestra to maintain their current ensemble sizes. This additional funding is contingent upon the commitment of state governments to provide matching additional funds based on current funding ratios.

Sudan
(Question No. 1343)
Mr Rudd asked the Minister for Foreign Affairs, in writing, on 12 May 2005:

(1) Did the Australian Government make formal representations to the member states of the United Nations Security Council regarding the findings of the independent commission of inquiry established under UN Security Council resolution 1564 in respect of the Sudan; if so, (a) which member states, (b) when did this occur, and (c) what was the substance of the representations.

(2) Did he personally make formal representations to the member states of the United Nations Security Council regarding the findings of the independent commission of inquiry established under UN Security Council resolution 1564 in respect of the Sudan; if so, (a) which member states, (b) when did this occur, and (c) what was the substance of the representations.

Mr Downer—The answer to the honourable member’s question is as follows:

(1) Yes. Australia wrote to the President of the United Nations Security Council on 27 January, in conjunction with Canada and New Zealand urging that, should the International Commission of Inquiry for Darfur determine that crimes within the jurisdiction of the International Criminal Court (ICC) have been committed, the Security Council should refer the matter to the ICC.

Australia again wrote to the President of the Security Council, together with Canada and New Zealand, on 17 February, strongly supporting the International Commission’s recommendation that the Council refer the situation in Darfur to the ICC. This followed the Commission’s finding that serious violations of international human rights and humanitarian law amounting to crimes under international law had been committed in Darfur. The letter argued that it was essential that the international community ensure swift and effective international accountability for those bearing the greatest responsibility for such crimes and that the ICC was the obvious and most appropriate instrument through which to do so. Members of the Security Council were urged to demonstrate their commitment to the ICC and to international efforts to ensure those responsible for serious international crimes were held accountable by supporting a Security Council referral of the situation in Darfur to the ICC.

These letters were circulated as formal documents of the Security Council to all 15 Council members (Algeria, Argentina, Benin, Brazil, China, Denmark, France, Greece, Japan, Philippines, Romania, Russia, Tanzania, UK and the US) and subsequently to all 191 members of the United Nations. These letters were also accompanied by a range of formal and informal face-to-face representations to Council members and other interested countries in the normal course of the UN mission’s work.

Australia was pleased that the thrust of our representations were reflected in UN Security Council Resolution (UNSCR) 1593 of 31 March, which referred the situation in Darfur to the ICC, and UNSCR 1591 (29 March), which extended the arms embargo and established a mechanism to im-
pose travel and asset freezes on individuals who impede the peace process or commit atrocities in Sudan. We also welcomed UNSCR 1590 (24 March) which established a UN Mission in Sudan (UNMIS) to support the implementation of the peace agreement between the parties of the 21 year long north/south civil war in Sudan. UNMIS will also support the ongoing efforts of the African Union mission to foster peace in Darfur.

(2) Please refer to the above.

**National Security**

(Question No. 1344)

Mr Rudd asked the Minister for Foreign Affairs, in writing, on 12 May 2005:

(1) Has he ever provided information contained within any top secret national security document to an unauthorised person.

(2) Has his office ever provided information contained within any top secret national security document to an unauthorised person.

Mr Downer—the answer to the honourable member’s question is as follows:

(1) The handling of national security material, including when briefing the opposition, is in accordance with long established practices. Any apparent unauthorised disclosures are referred to the Australian Federal Police.

(2) As above.