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SITTING DAYS—2005

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- ADELAIDE 972 AM
- PERTH 585 AM
- HOBART 747 AM
- NORTHERN TASMANIA 92.5 FM
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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 Wilkie

Leader of the House—The Hon. Anthony John Abbott MP
Deputy Leader of the House—The Hon. Peter John McGauran MP
Manager of Opposition Business—Ms Julia Eileen Gillard MP
Deputy Manager of Opposition Business—Mr Anthony Norman Albanese MP

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

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

Australian Labor Party
Leader—The Hon. Kim Christian Beazley MP
Deputy Leader—Ms Jennifer Louise Macklin MP
Chief Opposition Whip—The Hon. Leo Roger Spurway Price MP
Opposition Whips—Mr Michael Danby MP and Ms Jill Griffiths Hall MP

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

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<td>Wakelin, Barry Hugh</td>
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<td>Wilkie, Kimberley William</td>
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<td>Windsor, Antony Harold Curties</td>
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**PARTY ABBREVIATIONS**

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

**Heads of Parliamentary Departments**

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

Prime Minister
The Hon. John Winston Howard MP
Minister for Transport and Regional Services and
Deputy Prime Minister
The Hon. John Duncan Anderson MP
Treasurer
The Hon. Peter Howard Costello MP
Minister for Trade
The Hon. Mark Anthony James Vaile MP
Minister for Defence and Leader of the Govern-
ment 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 Rela-
tions and Minister Assisting the Prime Minister
for the Public Service
The Hon. Kevin James Andrews MP
Minister for Communications, Information Tech-
nology 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

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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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The Hon. Kim Christian Beazley MP

Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research

Jennifer Louise Macklin MP

Leader of the Opposition in the Senate and Shadow Minister for Social Security

Senator Christopher Vaughan Evans

Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology

Senator Stephen Michael Conroy

Shadow Minister for Health and Manager of Opposition Business in the House

Julia Eileen Gillard MP

Shadow Treasurer

Wayne Maxwell Swan MP

Shadow Minister for Industry, Infrastructure and Industrial Relations

Stephen Francis Smith MP

Shadow Minister for Foreign Affairs and International Security

Kevin Michael Rudd MP

Shadow Minister for Defence and Homeland Security

Robert Bruce McClelland MP

Shadow Minister for Trade

The Hon. Simon Findlay Crean MP

Shadow Minister for Primary Industries, Resources and Tourism

Martin John Ferguson MP

Shadow Minister for Environment and Heritage and Deputy Manager of Opposition Business in the House

Anthony Norman Albanese MP

Shadow Minister for Public Administration and Open Government, Shadow Minister for Indigenous Affairs and Reconciliation and Shadow Minister for the Arts

Senator Kim John Carr

Shadow Minister for Regional Development and Roads and Shadow Minister for Housing and Urban Development

Kelvin John Thomson MP

Shadow Minister for Finance and Superannuation

Senator the Hon. Nicholas John Sherry

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

Tanya Joan Plibersek MP

Shadow Minister for Employment and Workplace Participation and Shadow Minister for Corporate Governance and Responsibility

Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)
SHADOW MINISTRY—continued

Shadow Minister for Immigration
Laurence Donald Thomas Ferguson MP

Shadow Minister for Agriculture and Fisheries
Gavan Michael O’Connor MP

Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Banking and Financial Services
Joel Andrew Fitzgibbon MP

Shadow Attorney-General
Nicola Louise Roxon MP

Shadow Minister for Regional Services, Local Government and Territories
Senator Kerry Williams Kelso O’Brien

Shadow Minister for Manufacturing and Shadow Minister for Consumer Affairs
Senator Kate Alexandra Lundy

Shadow Minister for Defence Planning, Procurement and Personnel and Shadow Minister Assisting the Shadow Minister for Industrial Relations
The Hon. Archibald Ronald Bevis MP

Shadow Minister for Sport and Recreation
Alan Peter Griffin MP

Shadow Minister for Veterans’ Affairs
Senator Thomas Mark Bishop

Shadow Minister for Small Business
Tony Burke MP

Shadow Minister for Ageing, Disabilities and Carers
Senator Jan Elizabeth McLucas

Shadow Minister for Justice and Customs, Shadow Minister for Citizenship and Multicultural Affairs and Manager of Opposition Business in the Senate
Senator Joseph William Ludwig

Shadow Minister for Pacific Islands
Robert Charles Grant Sercombe MP

Shadow Parliamentary Secretary to the Leader of the Opposition
John Paul Murphy MP

Shadow Parliamentary Secretary for Defence
The Hon. Graham John Edwards MP

Shadow Parliamentary Secretary for Education
Kirsten Fiona Livermore MP

Shadow Parliamentary Secretary for Environment and Heritage
Jennie George MP

Shadow Parliamentary Secretary for Infrastructure
Bernard Fernando Ripoll MP

Shadow Parliamentary Secretary for Health
Ann Kathleen Corcoran MP

Shadow Parliamentary Secretary for Regional Development (House)
Catherine Fiona King MP

Shadow Parliamentary Secretary for Regional Development (Senate)
Senator Ursula Mary Stephens

Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs
The Hon. Warren Edward Snowdon MP
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Thursday, 23 June 2005

The SPEAKER (Hon. David Hawker) took the chair at 9 am and read prayers.

PARLIAMENTARY LIAISON OFFICERS

Mr ABBOTT (Warringah—Leader of the House) (9.01 am)—On indulgence, may I say that this is a day of significant retirements. One of the significant retirements is in fact our Parliamentary Liaison Officer. Gerard Martin is going to another place, and I trust that he will help that other place to function with the same brisk efficiency that this place functions with. I would like to place on record my gratitude and that of the government to Gerard and his team. Gerard has performed his difficult and burdensome tasks over the last couple of years with efficiency, with courtesy and with fairness. He has upheld the traditions of the parliament and the highest standards of the Australian Public Service. We wish him well and we will miss him.

Honourable members—Hear, hear!

Ms GILLARD (Lalor) (9.02 am)—On indulgence, may I join on this occasion with the Leader of the House. As you would be aware, Mr Speaker, there is not much that the Leader of the House and I agree on—certainly not health, appropriate dress for social occasions and matters like that—but one thing that we can certainly agree on is our thanks to both Gerard and Helen, both of whom are moving today from their current positions assisting us as the Parliamentary Liaison Officer and the assistant respectively. I think Gerard has perhaps disappointed members of this House by deciding to transfer to the Senate, which is not something that I think anybody who works in or around the House of Representatives should aspire to, but we wish Gerard very well in that new career over in the other place. I am sure it is not the model of efficiency and decency that we are down here, but I am sure Gerard will be bringing a new style to the way in which the Senate does its work.

From the point of view of the opposition, we have always found Gerard personally, Helen and the whole team to be of very great assistance. They manage to deal with everybody in an incredibly courteous fashion. Even at times when, in here and perhaps beyond this place, we are not exactly dealing with each other with courtesy, they are always unfailingly courteous and full of assistance, and we will miss both of them. I am not sure who is replacing them, but we will be meeting the new parliamentary liaison officers when we return after the winter recess. At least we know that Gerard will still be here around the building, so we can perhaps see him in more convivial circumstances than sitting in the box during question time and on other occasions.

Mr BARTLETT (Macquarie) (9.03 am)—On indulgence, I would like to place on record my appreciation to Gerard Martin, Helen and the team for their outstanding work in the Parliamentary Liaison Office. Most of the credit for the smooth running of this place lies not with those who stand on their feet in here but with those who work behind the scenes—in fact, I think it is probably despite the efforts of those of us in here, at times. It is an enormous effort liaising between government, opposition, ministers, shadow ministers, the Leader of the House, the Manager of Opposition Business and the two whips. It is a great credit to Gerard Martin, Helen and the rest of the team. You are true public servants in every sense of the word, and your contribution to this place, to parliament and through it to the public has been outstanding. We greatly appreciate and acknowledge your work. Thank you.
Mr PRICE (Chifley) (9.04 am)—On indulgence: unlike the Chief Government Whip, I lacked a bit of experience, I must say. When I was first introduced to Gerard Martin as a PLO, I thought he was probably a member of a dangerous organisation! Then I found to my consternation that he was always talking to Anna George in my office and looking at my speaking lists. But I very quickly came to understand just what a critical role Gerard and his team play. As my colleague the Manager of Opposition Business has said, it is somewhat of a disappointment that he should retreat to another place, because we thought so highly of him. I would like to wish both him and Helen Tudor, who completes five years service in the office, all the very best. If they do bring some order into the new challenges in the Senate, that could be a good thing. Last but not least, I certainly hope that the head of the Department of the Prime Minister and Cabinet, Peter Shergold, understands just how members of this place have come to regard the efforts of Gerard and his team and how indispensable they are to the smooth functioning of this House.

BUSINESS

Mr ABBOTT (Warringah—Leader of the House) (9.06 am)—I move:

That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business after 9.30 p.m.) be suspended for this sitting.

For the information of members here and any who may be watching, I am advised that the Senate is likely to sit this evening in an attempt to finish its business. I regret to say that it will therefore be necessary for us to sit this evening as well. Hopefully it will not be late, but we are in the hands of the other place—a place which we hope will soon be much better managed.

Question agreed to.

HEALTH INSURANCE AMENDMENT (MEDICARE SAFETY-NETS) BILL 2005

First Reading

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

Second Reading

Mr ABBOTT (Warringah—Minister for Health and Ageing) (9.07 am)—I move:

That this bill be now read a second time.

The Howard government is committed to protecting and strengthening Medicare and delivering high quality, affordable health care to all Australians.

The measures in the Health Insurance Amendment (Medicare Safety-nets) Bill 2005 will maintain the sustainability of the extended Medicare safety net and ensure Australians will continue to receive additional protection for high out-of-pocket medical costs.

From 1 January 2006, the extended Medicare safety net thresholds will increase from $306.90 to $500 for concession card holders and families in receipt of family tax benefit part A, and from $716.10 to $1,000 for all other families and individuals. The current thresholds will continue to apply to all families and individuals for the current calendar year.

The changes give effect to the thresholds initially proposed by the government in late 2003.

An overriding concern for the government was the long-term sustainability of the safety net. When first announced, the estimated cost of the extended safety net was just $440 million over the four years to 2006-07. After the safety net came into operation it became clear that these estimates needed to be revised. More people than expected qualified for safety net benefits, out-of-pocket medical expenses turned out to be considerably higher, and some specialties shifted charges
onto Medicare out-of-hospital items so that their patients could claim safety net entitlements. If the government had not acted quickly, costs would have blown out to $1.4 billion over the four years to 2007-08.

Increasing the Medicare safety net thresholds has been a tough decision. It reflects the government’s commitment to a strong economy, along with our support for Australia’s world-class health system.

The extended Medicare safety net is the most important improvement to our health system since Medicare commenced in 1983. It demonstrates this government’s continued commitment to helping all Australians to afford quality health care. Increasing the thresholds will enable the government to retain what is still, by any measure, a generous safety net.

Through its continued commitment to the extended safety net, this government is investing nearly $1.1 billion over the next four years to ensure that individuals and families are protected against high out-of-pocket costs for health care. The safety net will continue to help the estimated 1.5 million people who will benefit in 2006 under the higher thresholds.

Australia has one of the best health systems in the world. For the past 20 years, Medicare has provided Australians with essential protection through affordable access to medical, pharmaceutical and hospital services. Through the measures in this bill, this government demonstrates its continued support for the extended Medicare safety net. Through this bill, the government is continuing its investment in affordable access to high quality health care. I commend the bill to the House and present the explanatory memorandum.

Bill (on motion by Ms Gillard) adjourned.

HEALTH INSURANCE AMENDMENT (MEDICAL SPECIALISTS) BILL 2005

First Reading

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

Second Reading

Mr ABBOTT (Warringah—Minister for Health and Ageing) (9.11 am)—I move:

That this bill be now read a second time.

The purpose of this bill is to reduce unnecessary red tape for medical practitioners seeking to provide specialist or consultant physician services under Medicare.

This legislative amendment does not bestow specialist or consultant physician status on medical practitioners. Medical practitioners are identified as specialists or consultant physicians by medical boards when they are registered, on the advice of specialist medical colleges.

With Australia experiencing shortages in the medical workforce, it is important that the administrative processes are made more efficient and timely, to ensure that appropriately qualified specialists and consultant physicians enter the workforce as quickly as possible.

Currently, a medical practitioner can be recognised as a specialist for Medicare rebate purposes in three ways.

The first is fellowship of a specialist medical college.

The second is application to my delegate, who refers applications to a state or territory Specialist Recognition Advisory Committee (SRAC).

The third, for medical practitioners not domiciled in Australia at the time of application, is application to the health minister to make a determination to recognise a medical practitioner as a specialist or consultant physician.
Referrals to SRACs may have been effective in the past by providing a structure for the assessment of specialists who were not eligible for automatic recognition. However, since these committees were established, specialist medical colleges and medical registration boards have developed and implemented assessment processes which are now used by the SRACs in making their determinations. Because SRACs rely on the assessment advice of specialist medical colleges and medical registration boards in making their decision, the committees now add a redundant administrative layer to processing applications. This unnecessarily extends the period of time between the registration of specialists and when they can provide services which attract Medicare rebates.

It is proposed in this legislation to disband the SRACs. The amendment proposes to make provision for my delegate to act directly on my behalf, without referral to a SRAC. Under the new process, registered medical practitioners will apply in writing directly to me through my delegate in the Health Insurance Commission for recognition as specialists or consultant physicians for the purposes of the act.

Transitional arrangements have been provided to ensure the continued recognition of specialists and consultant physicians previously recognised by SRACs. Provision has also been made for the delegate to immediately consider applications currently with SRACs at the time they are disbanded.

Those sections of the Health Insurance Act 1973 relating to the provision of Medicare provider numbers remain in effect.

This bill represents a minor procedural change. The objective of the change is to reduce the complexity currently involved in the recognition of medical specialists and consultant physicians under the Medicare system. It is anticipated that this amendment will significantly reduce the time between the receipt of an application from a medical practitioner and recognition. I commend the bill to the House and present the explanatory memorandum.

Bill (on motion by Ms Gillard) adjourned.

TARIFF PROPOSALS

Customs Tariff Proposal No. 3 (2005)

Mr RUDDOCK (Berowra—Attorney-General) (9.15 am)—I move:

Customs Tariff Proposal No. 3 (2005).

The tariff proposal that I have just tabled contains alterations to the Customs Tariff Act 1995 with effect from 1 July 2005.

The proposal amends additional note 3(a) to chapter 22 to the tariff to insert an upper limit of 22 per cent alcohol content in respect of grape wine. This amendment reflects changes to the regulations to the A New Tax System (Wine Equalisation Tax) Act 1999. The amendment will ensure that imported wine of fresh grapes, that does not comply with the revised additional note, will attract the same rate of customs duty as excise duty on similar locally manufactured product.

The proposal also inserts references to additional note 4 to chapter 22 to the tariff to insert an additional note 4 to chapter 22 to the tariff to insert an upper limit of 22 per cent alcohol content in respect of grape wine. This amendment reflects changes to the regulations to the A New Tax System (Wine Equalisation Tax) Act 1999. The amendment will ensure that imported wine of fresh grapes, that does not comply with the revised additional note, will attract the same rate of customs duty as excise duty on similar locally manufactured product.

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The new references will correct this anomaly and allow Irish Cream to be subject to the wine equalisation tax and applicable rates of customs duty.
A summary of the alterations contained in this proposal has been prepared and is being circulated.

Debate (on motion by Mr Edwards) adjourned.

CUSTOMS TARIFF AMENDMENT BILL (No. 2) 2005
First Reading
Bill presented by Mr Ruddock, and read a first time.

Second Reading
Mr Ruddock (Berowra—Attorney-General) (9.17 am)—I move:

That this bill be now read a second time.

The Customs Tariff Amendment Bill (No. 2) 2005 contains amendments to the Customs Tariff Act 1995 that have previously been introduced into the parliament as customs tariff proposals.

The bill amends additional note 3(a) to chapter 22 of the tariff to insert an upper limit of 22 per cent alcohol content in respect of grape wine. The amendment will ensure that imported wine of fresh grapes, which does not comply with the revised additional note, will attract the same rate of customs duty as excise duty on similar locally manufactured product.

The bill inserts references to additional note 4 to chapter 22 in tariff subheadings 2206.00.30 and 2206.00.4. Additional note 4 defines ‘grape wine product’, which includes certain wine based cream beverages, generically described as ‘Irish Cream’. When imported into Australia, these goods are subject to excise equivalent rates of customs duty, while similar goods manufactured in Australia are subject to the wine equalisation tax. The new references will correct this anomaly.

The bill also removes the three per cent tariff applying to ‘business inputs’ that are the subject of a tariff concession order. A tariff concession order provides concessional tariff rates for imported goods where there are no substitutable domestically produced goods. The removal of the three per cent tariff to a customs duty rate of Free will reduce business input costs, increase the international competitiveness of Australian business, and encourage investment in efficient and sustainable industries. I commend the bill to the House and table the explanatory memorandum.

Debate (on motion by Mr Edwards) adjourned.

HIGHER EDUCATION LEGISLATION AMENDMENT (2005 BUDGET MEASURES) BILL 2005
First Reading
Bill presented by Dr Nelson, and read a first time.

Second Reading
Dr Nelson (Bradfield—Minister for Education, Science and Training) (9.19 am)—I move:

That this bill be now read a second time.

Mr Speaker, Australia’s higher education sector will benefit from a record $7.8 billion investment from the Australian government in this year’s 2005-06 budget.

The government’s continuing commitment to the university sector will provide students with better facilities and more course options across a range of campuses.

The bill now before the House is a clear expression of that commitment to higher education, as it will honour two important election commitments for new places and capital funding.

As part of a range of new initiatives and to reflect Australia’s global expertise in many academic fields—such as tropical sciences—this bill contains additional funding to ensure
that our universities remain at the forefront of new skills developments.

Recognising the importance of tropical sciences, the Australian government is providing $26 million to James Cook University for veterinary science and tropical agriculture. The House should understand that the direct advocacy of the members for Leichhardt and Herbert have contributed to this extraordinary and significant outcome.

Earlier this year the government allocated infrastructure funding of $12 million over two years towards a new veterinary science school at James Cook University’s Townsville campus with a link to the Cairns campus. The new facility will fulfil all of the normal functions of a veterinary school, but in addition will provide a unique focus on tropical animal husbandry and diseases. The new school will play a role in developing preventative measures and early detection of diseases in livestock.

This bill now before us also provides funding for 50 new places to establish a new undergraduate degree program in veterinary science at the school from 2006. These places will provide opportunities to students, particularly in rural and regional Australia, and ensure that Australia has veterinarians with expertise in tropical animal diseases.

Funding for 50 new places will also be allocated to create a new undergraduate degree program in tropical agriculture, giving graduates expertise in tropical plants and exposure to vital research in areas such as sugarcane production.

These 100 new places in veterinary science and tropical agriculture commence in 2006 and will rise to 274 places by 2009, at a cost of $13.9 million.

Expert understanding in tropical animal diseases and in tropical agriculture is vital to Australia’s national prosperity. New diseases can have devastating consequences across the nation. Equally, breakthroughs in the production of plants that thrive in a tropical climate can boost crop production and the livelihoods of many Australians, particularly those in rural and regional communities.

It is essential that Australia continues to develop expertise in these fields. The new veterinary science school and undergraduate courses will help position James Cook University as a leader in teaching and research in veterinary science and tropical agriculture and will further enhance Australia’s international reputation in these fields.

These measures are a reflection of the Australian government’s commitment to providing the communities of North Queensland with greater opportunities in education and research.

The other vitally important election commitment delivered through this bill relates to new capital infrastructure funding for the University of Western Sydney. Teaching, research and student facilities at the university will be enhanced through an additional $25 million over the next three years.

In 2006, $7 million will be provided for the development of a medical training facility at the Campbelltown campus. The new medical training facility will complement the existing wide range of health science disciplines offered at the Campbelltown campus, including occupational therapy and medical science.

The facility will also complement the university’s proposed new medical school, to which the government committed $18 million in the 2004-05 budget. This brings the government’s total contribution to the medical school to $25 million. The new medical school will enhance and improve the teaching hospital capacity and the delivery of health and medical services in western and south-western Sydney. It will also provide
opportunities for local students to study medicine in their own region.

In addition to the medical training facility, $2 million will be provided to the University of Western Sydney for an upgrade of research and training facilities at the Hawkesbury campus. The Hawkesbury campus is a national leader in plant, agricultural and food systems research and in the teaching of courses related to these activities. The funds will assist the university to purchase a state-of-the-art environmental electron microscope, which will be uniquely adapted for agricultural and food systems research and which will significantly enhance the university’s capacity for performing high-level biological analysis. The funds will also help to upgrade critical teaching infrastructure, with particular emphasis on horticulture, food science and agricultural sciences.

The government will also provide $9 million towards the establishment of a new building for teaching at the university’s Parramatta campus. The university also has a strong record in teaching health and human service professionals, including at the Parramatta campus. The new teaching building will greatly expand the current capacity of the Parramatta campus.

A further investment of $7 million will assist with construction of a new library at the university’s Penrith campus. The funding will provide library services for staff and students and expand the library services available for the benefit of the broader Penrith community. The library will also enable the university to use existing space to consolidate its visual and performing arts into a new creative arts precinct on the campus.

These initiatives reflect the Australian government’s ongoing commitment to building better and stronger communities and providing education opportunities in Western Sydney.

The bill will also amend the maximum funding amounts under the Higher Education Support Act 2003 and maximum amounts for transition funding under the Higher Education Funding Act 1988, to reflect indexation increases.

The bill will enhance the quality of our higher education system and the choices available to students. It reflects the Australian government’s strong commitment to ensuring that Australia’s higher education sector continues to play a vital role in our economic, cultural and social development.

Full details of the measures in the bill are contained in the explanatory memorandum that has been circulated to honourable members.

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

Debate (on motion by Mr Edwards) adjourned.

HIGHER EDUCATION LEGISLATION AMENDMENT (WORKPLACE RELATIONS REQUIREMENTS) BILL 2005

First Reading

Bill presented by Dr Nelson, and read a first time.

Second Reading

Dr Nelson (Bradfield—Minister for Education, Science and Training) (9.27 am)—I move:

That this bill be now read a second time.

If Australia is to remain internationally competitive in the provision of higher education, it needs to and must promote the sustainability of its universities by enabling them to attract, retain and reward the very best people.

The higher education sector is not immune from the pressure to adapt, reform and become even more productive. Universities
need to be able to respond flexibly to the needs of their constituencies including potential and existing students, staff, employers, industry and local, regional and national communities.

Increasingly, both Australian and overseas students will make their choices on the basis of cost, reputation for standards and local and overseas career options. In order to compete with international universities, Australian universities need to be able to attract and keep the best staff and to reward them accordingly.

The Australian government has committed an additional $11 billion to the higher education sector over 10 years through the 2003 Our Universities: Backing Australia’s Future package. However, this funding will only assist the sector if it is accompanied by changes in the way universities are managed. Management and leadership capability are central to the ability of universities to deal with the many challenges that they face.

While the government recognises that, over the last few years, some workplace reform has occurred in the university sector, change has been slow and there is a need for further reform in line with the government’s broader workplace agenda.

To accelerate the pace of workplace reform in higher education the Minister for Employment and Workplace Relations, the Hon. Kevin Andrews MP, and I announced on 29 April 2005 new workplace relations requirements for universities which will provide staff with greater choice, and institutions with more flexibility. The reforms are consistent with the government’s broader workplace reform agenda.

The bill now before us will give force to the higher education workplace relations requirements, which will be guidelines under the Higher Education Support Act 2003.

The new requirements will provide universities and staff with choice. The requirements do not prescribe particular outcomes. Choice is about providing scope for individuals to negotiate pay and conditions that suit their particular needs and circumstances rather than being locked into the one-size-fits-all approach that has prevailed in the sector to date.

Individual choice in agreement making means that employees are able to choose the type of workplace agreement that suits them best. Australian workplace agreements, or AWAs, allow greater flexibility than certified agreements to provide bonuses and other rewards for high performance. They assist employers to offer incentives to attract and retain the best employees. However, there is no requirement for an individual staff member to accept the offer of an AWA.

As with collective agreements, AWAs are subject to a no disadvantage test. No-one can be coerced into accepting an AWA. Staff have the option to be covered by a certified agreement if there is one in place, and staff may appoint someone, including the union, to represent them in AWA negotiations, if that is their choice.

The requirements will encourage universities to develop a culture of direct communication with their staff. They will promote freedom of choice of representation. It is the right of all employees to choose to belong or not belong to a union, without discrimination for their choice.

The requirements will enhance workplace flexibility, which will assist institutions to respond to changing requirements and challenges and develop a diverse and adaptable workforce. The reforms will assist institutions to develop individual and organisational performance, including rewarding high-performing individuals, efficiently
managing underperformance and strengthening management and leadership capability.

The requirements will have no impact on academic freedom, and universities will still be able to make their own decisions about the appointment of staff and about other academic activities.

Universities will need to comply with these requirements in their workplace agreements, policies and practices, as well as with the national governance protocols, in order to be eligible for the increase in assistance funding under the Commonwealth Grants Scheme, those increases being five per cent in 2006 and 7.5 per cent in 2007 under section 33-15 of the Higher Education Support Act 2003.

The requirements will apply to all workplace agreements made and approved or certified after 29 April 2005.

By 30 November 2005, all universities will need to meet the requirements in their workplace policies and practices, except where compliance with the requirements would be directly inconsistent with the higher education provider’s obligations under its existing certified agreement as at 29 April 2005.

Universities will need to meet the requirements in their certified agreement, or agreements, either this year or next, depending on the nominal expiry date of their existing certified agreement as at 29 April 2005.

All universities will be required to comply with the workplace reforms and national governance protocols every year after 2007 in order to maintain the 7½ per cent increase in assistance funding under the Commonwealth Grants Scheme.

Implementation of these reforms will assist to ensure that universities can be more competitive nationally and internationally. They are necessary if the long-term sustainability and quality of Australian higher education are to be assured.

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

Debate (on motion by Mr Edwards) adjourned.

NATIONAL RESIDUE SURVEY (EXCISE) LEVY AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.34 am)—

That this bill be now read a second time.

The purpose of the National Residue Survey (Excise) Levy Amendment Bill 2005 is to amend the National Residue Survey (Excise) Levy Act 1998.

The amendments to the National Residue Survey (Excise) Levy Act 1998 will raise the maximum levy rate allowable to 0.10 of a cent per kilogram and increase the operative levy rate for the purposes of residue monitoring on all apples and pears—including fresh, juicing and processing fruit—produced in Australia that are sold or used in the production of other goods from the present rate of 0.060 of a cent per kilogram to 0.075 of a cent per kilogram. The current operative rate of the national residue survey levy is set in the regulations at the maximum allowable rate of 0.060 of a cent per kilogram.

The levy recovers the cost of the apple and pear industry’s domestic residue-monitoring program.

The amendments are part of a package of strategies being put in place on behalf of the apple and pear industry, and the increase in
the maximum allowable levy rate will allow the industry further scope to expand its operative rate of levy by subordinate legislation where access to further funding for residue-monitoring programs may be required at short notice.

The amendments will commence on or after the first day of the quarter following royal assent. If the first quarter starts less than 30 days after royal assent then the start date will be the second quarter after royal assent. This will allow levy payers to be given one month’s notice of the start of the new levy.

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

Debate (on motion by Mr Edwards) adjourned.

NATIONAL RESIDUE SURVEY (CUSTOMS) LEVY AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.37 am)—I move:

That this bill be now read a second time.

The purpose of this bill is to amend the National Residue Survey (Customs) Levy Act 1998.

The amendments contained in this bill complement the amendments in the National Residue Survey (Excise) Levy Amendment Bill 2005, in that they will raise the maximum levy rate allowable to 0.10 of a cent per kilogram and increase the operative levy rate for the purposes of residue monitoring on fresh apples and pears exported from Australia from the present rate of 0.060 of a cent per kilogram to 0.075 of a cent per kilogram.

The levy recovers the cost of the apple and pear industry’s residue monitoring program, which facilitates access to lucrative export markets. The amendments to this bill will commence in the same way as for the National Residue Survey (Excise) Levy Amendment Bill 2005.

Together, these bills will assist the apple and pear industry to maintain a robust residue monitoring program for product provided to both domestic consumers and overseas markets.

I present the explanatory memorandum.

Debate (on motion by Mr Edwards) adjourned.

TELECOMMUNICATIONS AND OTHER LEGISLATION AMENDMENT (PROTECTION OF SUBMARINE CABLES AND OTHER MEASURES) BILL 2005

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.39 am)—I move:

That this bill be now read a second time.

The Telecommunications and Other Legislation Amendment (Protection of Submarine Cables and Other Measures) Bill 2005 creates a regulatory scheme to enable the Australian Communications Authority (ACA) to establish protection zones over submarine telecommunications cables that link Australia to global networks and that are vital to the national economy.

Nine submarine telecommunications cables carry almost all of Australia’s overseas voice and data traffic, and are worth more than $A5 billion a year to the economy.
Three of these cables—two landing in Sydney and one in Perth—are currently of particular significance to the Australian economy because of their very high capacity.

These cables are vulnerable to damage by operations such as the anchoring of ships, certain types of fishing, dumping of materials at sea, dredging and other activities that take place on the seabed where these cables are laid.

Submarine cables have been damaged several times in recent years. In July 2001, a trading ship dragged anchor off Sydney, damaging two cables. Sand dredging has cut the cable that lands at Perth several times. Cables off the New South Wales coast have been broken twice in recent years by fishing boats using trawl equipment on the seabed.

Repairing broken or damaged cables is an expensive and time-consuming exercise. Cable damage or breakage impedes information flow, which affects the capacity of Australians—particularly businesses—to conduct international transactions.

The volume of overseas communications—voice and data, business and personal—is increasing and will continue to do so into the future. Thus any disruption of Australia’s communications links with the world can cause delays, disruptions and unnecessary costs, not only to the owners of the cables, but to the many people who rely on them.

This initiative puts into effect changes that were identified as necessary by the 1999 National Bandwidth Inquiry into the ability of Australian telecommunications networks to meet the future demands of the Australian information economy. This inquiry recommended a stronger planning and protection regime for submarine cables, more explicit authority to install cables, and increased penalties for damaging cables.

The protection scheme has been developed in consultation with a wide range of stakeholders, including Commonwealth, state and territory governments, the fishing and petroleum exploration industries, as well as the telecommunications industry.

Under this bill, the ACA will be authorised to declare protection zones over submarine telecommunications cables of national significance. Within these protection zones, activities particularly dangerous to submarine cables will be prohibited such as fishing where the gear operates near the seabed, anchoring, dredging and mining. Other less dangerous activities will be restricted within protection zones according to conditions applied by the ACA. These include midsea fishing, laying electricity cables or gas pipelines, and installing wharves, jetties, boat ramps and navigational aids.

Before declaring a protection zone, the ACA will be required to consult with the environment secretary, and with other users of the sea and seabed through an advisory committee, which will include representation from key sectors that will be affected by the declaration. The ACA will be required to develop and publish a protection zone proposal, invite public comment, and take into account any comments received.

The ACA will also be authorised to vary and revoke protection zones, and to issue permits to install submarine cables within protection zones and Commonwealth controlled waters.

Protection zones will run through state-controlled coastal waters, Commonwealth-controlled territorial waters and the exclusive economic zone, typically from the shore to 200 nautical miles out or to the edge of the continental shelf. A protection zone will typically be about two nautical miles wide.

Certain state and territory laws will not apply within protection zones. These exemp-
tions will be similar to the immunities that now apply to carriers under the Telecommunications Act 1997 when they are installing underground cables on land.

The Australian Federal Police will be responsible for enforcement of prohibitions and restrictions in protection zones. The ACA will enforce the conditions of permits to install submarine cables.

Heavy criminal penalties will apply within a protection zone for breaking or damaging a submarine cable, and for engaging in prohibited or restricted activity. The level of penalties reflects the importance the government places on protecting these vital elements of the national telecommunications infrastructure. Any person who suffers a loss because of a broken cable will be able to seek damages from the person who broke the cable. Penalties will also apply for installing a cable without a permit or contrary to a permit condition.

With the establishment of this protection regime, it is possible that actions by carriers may result in a possible claim for the acquisition of property. If this were to occur, it is appropriate that any compensation claimed be paid by the carrier who benefits from the protection provided by this regime, and not the Commonwealth. The bill therefore provides for this to occur, both under schedule 3A and also under the existing schedule 3 to the Telecommunications Act 1997. The existing schedule 3 provides carriers with certain powers and immunities relating to land based activities.

The protection regime for telecommunications submarine cables established by this bill provides a comprehensive and transparent process for the protection of cables of national significance. It will significantly reduce the risk of damage to the cables through the high penalty provisions. It will provide benefits to the fishing industry and other users of the sea and seabed by clarifying the responsibilities of both carriers and users, and by encouraging co-location of telecommunications facilities.

I present the explanatory memorandum to this bill.

Debate (on motion by Mr Edwards) adjourned.

CORPORATIONS (ABORIGINAL AND TORRES STRAIT ISLANDER) BILL 2005

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.47 am)—I move:

That this bill be now read a second time.

The Corporations (Aboriginal and Torres Strait Islander) Bill 2005 replaces the Aboriginal Councils and Associations Act 1976.

Over several decades, expenditure on Indigenous affairs has increased dramatically and much of this specific funding is delivered through Indigenous community organisations. It is estimated that there are over 8,000 Indigenous community organisations registered with the various corporate regulators—about 3,000 of these are registered under the Aboriginal Councils and Associations Act. Reducing Indigenous disadvantage depends in no small part on ensuring that these Indigenous corporations are well governed.

The Aboriginal Councils and Associations Act was developed in the 1970s to cater for the small number of land-holding corporations linked to the first land rights legislation. It was meant to offer a simple process
for incorporation with a minimal need for regulation.

The Aboriginal Councils and Associations Act is not adequate today given the high numbers of Indigenous corporations and their diversity, and also given developments in corporate law and other areas such as native title.

The bill responds to the present day problems faced by Indigenous corporations. It aligns corporate governance requirements with modern standards of corporate accountability, while allowing flexibility for Indigenous corporations to tailor their arrangements to suit their own special circumstances.

The bill offers an important contribution at a fundamental turning point in Indigenous affairs. Indigenous corporations are crucial to many Indigenous Australians and in remote areas they are crucial to non-Indigenous residents as well. They are the lifeblood of many communities, holding land and native title, providing essential infrastructure such as power and delivering the most basic of services such as medical care—it is not appropriate for them to have lower corporate governance standards.

It is a very practical bill that empowers Indigenous people to structure their corporations to create the best outcomes for their communities. It also allows for a range of assistance from training to a rolling program of ‘good governance audits’.

The bill includes increased rights for members, consistent with the Corporations Act, and provides greater opportunities for members to act to protect their own interests. In addition, the registrar will be able to act on behalf of members in circumstances where they are unable to do so, for example, in the case of an oppressed minority.

The bill has been subject to extensive and thorough consultation. An independent review of the Aboriginal Councils and Associations Act was commissioned by the registrar in 2001. The review was led by law firm Corrs Chambers Westgarth and team members included specialists Senator Brennan Rashid, Professor Mick Dodson, Christos Mantziaris and Anthropos Consulting.

There were several rounds of consultations and two workshops in Alice Springs. In addition, questionnaires were sent to all associations incorporated under the Aboriginal Councils and Associations Act and to 345 Indigenous organisations incorporated under other Commonwealth, state and territory legislation. There was extensive advertising in local and rural media, information sheets and consultation papers.

The bill is broadly in line with recommendations of that review.

The threshold question was whether there is a need for specific legislation for Indigenous corporations. It is clear from the consultations that many Indigenous corporations need special support and regulation tailored to their circumstances, such as remoteness, capacity, culture and to meet the requirements of special statutory regimes including native title.

This flexibility and the special measures required are not available from other corporate regulators such as ASIC, which are primarily concerned with relatively large trading corporations.

However, special legislation needs to be consistent with current basic practices of other corporate regulators. Therefore, the backbone of the bill is the application of mainstream Corporations Law to Aboriginal Councils and Associations Act corporations—for example, it largely replicates modern standards of duties for officers, directors and employees that exist in the Corporations Act.
During the consultations, Indigenous people themselves called for strong accountability requirements for corporations and their directors and managers, flexibility to tailor and more capacity development measures.

The bill overcomes regulation gaps—for example, managers of Indigenous corporations will now have duties like those of directors and will no longer be able to escape scrutiny. Directors and managers can be disqualified and their names put on a register of disqualified directors so that they will be clearly visible to other corporations. The Registrar of Aboriginal and Torres Strait Islander Corporations, unlike under the provisions of the current act, will be able to check subsidiaries and trusts related to Indigenous corporations, some of which hold substantial funds and assets.

To protect the members of corporations, funding bodies and ultimately the Australian taxpayer, a range of offences are covered in the bill. The offences largely reflect those set out in the Corporations Act and have been developed on the principle that similar obligations should attract similar consequences.

The bill allows for flexibility so that corporations can tailor their corporate governance practices to better suit their members and communities. Most corporations are likely to use the sensible internal governance framework built into the bill; others will choose to modify it. Support and training will be available through the Office of the Registrar of Aboriginal and Torres Strait Islander Corporations to help them through the process where it is needed.

Special measures that address the unique circumstances of many Indigenous corporations have been a key consideration in the bill’s development. One such measure allows the registrar to appoint a special administrator—a modernisation of a measure currently available under the Aboriginal Councils and Associations Act.

This measure is an important safeguard to protect the interests of those communities that might otherwise suffer the consequences of corporate failure.

One corporation currently under the control of this sort of special administrator provides all the power for a remote community, from the local school to the medical service and police station. Clearly a special power is needed to deal with the risk of corporate failure, especially when it could threaten a community’s essential services and, indeed, its existence.

Importantly, for the first time the bill will provide for persons affected by key decisions of the registrar to have these decisions reviewed by the Administrative Appeals Tribunal.

The bill has a strong focus on reducing red tape for smaller corporations, which will have fewer reporting requirements in proportion to their size. Larger, more sophisticated organisations will have more rigorous reporting arrangements in line with modern Corporations Law.

The bill allows support for good dispute resolution. While not having a direct role in conducting mediations, the registrar can help in the development of dispute resolution processes.

To further support capacity building in these corporations, a key feature of the bill allows the option of appointing experts to boards, even if non-Indigenous.

The provision of practical assistance and training will now be underpinned in legislation.

The new arrangements will commence on 1 July 2006, allowing time for Indigenous corporations to make the necessary changes.
This is a comprehensive package that reflects international best practice in Indigenous corporate governance and will help to produce better outcomes for Indigenous Australians. The government acknowledges the painstaking efforts of the registrar and her staff in producing this bill.

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

Debate (on motion by Mr Edwards) adjourned.

OCCUPATIONAL HEALTH AND SAFETY (COMMONWEALTH EMPLOYMENT) AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (9.57 am)—I move:

That this bill be now read a second time.


The Australian government believes strongly that safe and productive workplaces rely on a cooperative approach between employers and employees to identify and eliminate hazards that may cause injury or death.

The government is committed to improving health and safety outcomes in Commonwealth workplaces, and this bill follows amendments to the Occupational Health and Safety (Commonwealth Employment) Act 1991 in 2004, which introduced a strong new compliance regime.

It is imperative that Commonwealth employers be required to consult with all employees, not just unions, about the development and implementation of occupational health and safety arrangements.

The focus of occupational health and safety regulation must shift away from imposing prescriptive processes and towards enabling those in the workplace to work together and make informed decisions about how best to reduce risks to workplace health and safety. A cooperative approach to occupational health and safety in individual workplaces will lead to improved outcomes.

The occupational health and safety act therefore requires amendment to modernise and streamline outdated provisions which are currently inhibiting its effectiveness and denying the right of more employees to be involved in occupational health and safety at their workplace.

The amendments in the bill are similar to amendments in bills which the government introduced in 2000 and 2002. The key amendments relate to the employer’s duty of care and the workplace arrangements provisions. They will improve health and safety arrangements for Commonwealth employers and employees by enabling them to work more closely together to develop arrangements that suit the needs of their particular workplaces. The current workplace arrangements structures such as the requirements to have health and safety representatives and committees are retained.

The amendments will not in any way diminish the Commonwealth’s duty of care as an employer to ensure either the health and safety of its employees at work or others who may be at the workplace. Rather, the amendments aim to remove prescriptive re-
quirements, introduce flexibility and ensure that employers and employees are free to develop appropriate health and safety management arrangements to apply at their workplace.

Section 16 of the occupational health and safety act will be amended to replace current prescriptive elements which require an employer to develop an occupational health and safety policy in consultation with involved unions. Instead, section 16 will be more outcomes focused. Employers will be required to develop, in consultation with their employees, health and safety management arrangements that will apply at their workplace. The term ‘health and safety management arrangements’ is being used to describe a wide range of matters which could be covered, enabling the specific needs of individual workplaces to be accommodated in a more flexible and efficient way. Employers and employees will be able to make informed decisions about how best to reduce any risks to health and safety at their workplace. This will ensure that there is a more integrated and focused approach at the workplace level because the health and safety management arrangements will be tailor-made to the needs of particular workplaces.

To assist employers and employees understand the types of matters which could be included in health and safety management arrangements, the bill contains a provision setting out a list of matters which may be appropriate to be adopted, such as a health and safety policy, risk identification and assessment, training and agreements between employers, employees and their representatives.

To further assist the development of health and safety management arrangements, the Safety, Rehabilitation and Compensation Commission is being given the power to advise on matters to be included. Employers will be required to have regard to such advice in developing health and safety management arrangements.

Safe and healthy workplaces can only be achieved if there is maximum commitment from both employers and employees. Each must play an active part in developing appropriate arrangements at the workplace level. The bill therefore aims to enhance consultation between employers and employees by facilitating a more direct relationship between them to address health and safety issues at their individual workplaces.

The current mandated and privileged role of unions that unfairly limits the ability of other employees to fully participate in workplace health and safety arrangements is being removed. Unions will, however, be able to participate in the development of health and safety management arrangements where this is requested by their members. Unions will also retain their current enforcement roles where employees request it.

The bill gives employees a wider choice as to who may represent them—namely, another employee, a registered association or an association of employees which has a principal purpose of protecting and promoting the employees’ interests in matters concerning their employment. To maintain confidentiality if an employee does not wish to be identified as having sought union representation, the Chief Executive Officer of Comcare will be empowered to issue a certificate to the effect that an employee has made a request for representation.

A health and safety representative may be selected for each designated work group, as is currently the case. Current restrictions on the ability of all employees to become health and safety representatives are being removed. Currently, where there is an involved union, only employees nominated by a union
can be candidates for election as health and safety representatives. This limits an individual worker’s ability to become a health and safety representative. The bill therefore provides that all employees can be candidates for election as health and safety representatives.

Employers will be required to conduct elections for health and safety representatives at the employer’s expense. If employees are not happy with the arrangements for elections proposed by their employer, the bill contains provisions for an alternative election option for elections to be conducted in accordance with regulations if this is requested by a majority of the employees in the designated workgroup, or 100 employees, whichever is the lesser.

The bill also includes amendments in relation to health and safety committees. The bill sets out minimum requirements for the establishment of such committees and removes prescriptive requirements relating to their operation. The health and safety management arrangements established at the workplace level will be able to address matters such as how the committee is to be constituted and operate.

The bill also contains amendments to revise the annual reporting requirements of Commonwealth agencies so that there will be a greater focus on reporting on outcomes rather than processes, together with a number of minor or technical amendments to improve the operation of the act.

Full details of the amendments are contained in the explanatory memorandum to the bill. I commend the bill to the House and I present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

TAX LAWS AMENDMENT (2005 MEASURES No. 4) BILL 2005

First Reading

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

Second Reading

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (10.06 am)—I move:

That this bill be now read a second time.

This bill amends various taxation laws to implement a range of changes and improvements to Australia’s taxation system.

Schedule 1 introduces the child-care tax rebate. This initiative will help families by giving them a rebate on their tax of 30 per cent of out-of-pocket child-care expenses. The rebate will cover child-care expenses for taxpayers who use approved care and meet the child-care benefit work test or one of the equivalent child-care benefit limits. The rebate will be payable up to a maximum of $4,000 per child. Taxpayers will also be able to transfer any unused portion of the rebate to their spouse.

The child-care tax rebate will assist families with the cost of approved child care, building on the child-care benefit system and family assistance currently provided through initiatives such as family tax benefit, and honours the coalition’s election commitment.

Secondly, the bill amends the lists of deductible gift recipients in the Income Tax Assessment Act 1997. Deductible gift recipient status will assist the listed organisations to attract public support for their various good works and activities.

Schedule 3 expands the parameters for the disclosure of business income tax information between the Commissioner of Taxation and the Australian Statistician, for the purposes of the Census and Statistics Act 1905.
Finally, this bill provides arrangements through which New Zealand wine producers who export their wine to Australia can access the wine producer rebate. This measure demonstrates the close economic relationship shared by Australia and New Zealand.

Full details of the measures in this bill are contained in the explanatory memorandum.

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

Debate (on motion by Mr Gavan O’Connor) adjourned.

OFFSHORE PETROLEUM BILL 2005

First Reading

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

Second Reading

Mr Entsch (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (10.08 am)—I move:

That this bill be now read a second time.

Members would be aware, for instance from information I provided to the House in 2002, that the government has been engaged in a long-term project of rewriting the Petroleum (Submerged Lands) Act 1967 and incorporated acts.

I have pleasure today in presenting the completed product to the House in the form of the Offshore Petroleum Bill 2005 and associated bills on which I shall speak later.

The Petroleum (Submerged Lands) Act has been the primary legislation for the administration of Australia’s offshore petroleum resources. The act is now close to 40 years old and, through age and many amendments, it has become complex and unwieldy.

The government saw the need some years ago to rewrite the act to provide a more user-friendly enactment that will reduce compliance costs for governments and the industry.

This bill is a rewritten and renamed version of the Petroleum (Submerged Lands) Act. This bill proposes conspicuous changes to the structure and style of the legislation but seeks to implement only a modest number of minor policy amendments from the framework set out in the Petroleum (Submerged Lands) Act.

The management regime for offshore petroleum exploration, production, processing and conveyance that is proposed by this bill is unchanged in all its essential features from what is set out in the Petroleum (Submerged Lands) Act.

The bill also includes occupational health and safety provisions and maintains the operation of the National Offshore Petroleum Safety Authority for their administration.

I would now like to summarise the minor policy changes that are proposed in the bill. Time does not permit me to go into a detailed examination of all of them.

The largest category of amendments addresses past drafting omissions, errors and anomalies that have been detected in rewriting the text of the Petroleum (Submerged Lands) Act. An example is the set of amendments designed to make all provisions that apply to state ministers also apply to Northern Territory ministers.

There are also a reasonable number of amendments designed to bring provisions that, on account of their age, are out of line with current Australian government legislative drafting principles into compliance with these principles.

I refer to issues such as establishing more comprehensive and up-to-date provisions about delegations and bringing the enactment into compliance with modern administrative law principles, for instance by explicitly re-
quiring consultation with relevant parties before certain adverse decisions are taken.

I would now like to briefly highlight a few of the policy changes which may be of more general interest. One is the change to the definitions of ‘petroleum’ and ‘exploration’.

For ‘petroleum’, a more lucid definition is proposed than the one appearing in the Petroleum (Submerged Lands) Act, so that it is quite clear that when processed gas is to be conveyed via a pipeline it is classed as petroleum for all purposes under the proposed act.

Second, if gas has been reinjected into a petroleum pool and is later recovered, the new definition eliminates questions that might arise as to whether the mixture of hydrocarbons and gases then produced from the well is ‘naturally occurring’.

The definition of ‘explore’ is made more precise than in the existing act to express with more clarity that its common meaning is extended to include speculative surveys by non-explorers performed with the intention of selling the results to explorers.

The next issue is not about a policy change in an administrative sense; rather, it is a proposal to make explicit in the act a policy that has been adhered to by governments for some time.

It is proposed to make clear that the conditions imposed by the joint authority on the holder of a production licence are not to be prescriptive to the point of requiring the holder to drill a well, to carry out a survey or to spend a specific amount of money on exploration activities.

There will also be a provision that recognises that the production of petroleum involves a substantial and long-term financial commitment by licensees and that, accordingly, continuity and predictability are important features of the regime as it relates to production licences and the conditions applicable to them, particularly when licences come up for renewal.

The bill also includes some changes to the provisions seeking to ensure the safety of offshore petroleum facilities from incidents such as vessel impact. One amendment is to the definition of ‘owner of a vessel’. In most parts of Australia’s marine jurisdiction, if a vessel is involved in a violation of a safety zone and the vessel is leased, the lessee could avoid prosecution but the owner, who could be isolated from the action, could face 10 years imprisonment.

This anomaly is considered unacceptable and the equivalent provision in the bill ensures that an uninvolved owner of a leased vessel would not be guilty of an infringement.

Finally, among the various enhancements and marginal changes to the National Offshore Petroleum Safety Authority and occupational health and safety provisions, I would mention the conferral of new powers on OHS inspectors in relation to offence-related entry, search and seizure. This has been recommended by the Director of Public Prosecutions.

Accordingly, we have a new subdivision in the bill that makes provision for entry by OHS inspectors to facilities, vessels and onshore premises and the conduct of searches for, and seizure of, evidential material. These powers would be exercisable either with consent or with a warrant and draw extensively on relevant model provisions in the Crimes Act 1914.

There will be no effect on the Australian government budget from the purely editorial aspects of rewriting of the Petroleum (Submerged Lands) Act.

The proposed act is to come into effect by proclamation on a date that has been left open. This is because, for technical reasons, the state and Northern Territory governments...
need to have made certain minimal amend-
ments to their mirror acts before the Com-
monwealth act can come into force.

The fact that the rewriting process has
been an editorially-focused exercise rather
than a policy-focused one has meant that a
number of other policy issues have been re-
served for later consideration and to be po-
sibly the subject of an amendment bill at a
future date.

In summary, the government believes the
proposed new enactment, as a best practice
item of legislation, will be another element
that will help ensure Australia remains one of
the most attractive places in the world to ex-
plore for and develop petroleum resources.

In placing the bill before the House, I am
confident that the quality of its drafting and
the proposed policy enhancements will speak
for themselves.

I commend the bill to honourable mem-
bers and present the explanatory memoran-
dum.

Debate (on motion by Mr Gavan
O’Connor) adjourned.

OFFSHORE PETROLEUM (ANNUAL
FEES) BILL 2005
First Reading
Bill presented by Mr Entsch, and read a
first time.

Second Reading
Mr ENTSCHE Leichhardt—
Parliamentary Secretary to the Minister for
Industry, Tourism and Resources) (10.17 am)—I move:

That this bill be now read a second time.

The act proposed to be created by this bill is
consequential on the repeal of the Petroleum
(Submerged Lands) Act 1967 and incorpo-
rated acts.

This bill sets out the annual fees payable
in relation to exploration permits, retention
leases and production, infrastructure and
pipeline licences. The proposed Offshore
Petroleum Act involves a large number of
decisions relating to the day-to-day admini-
strations of the act, including the management
of titles.

The proposed Offshore Petroleum (An-
nual Fees) Act provides that the holders of
permits, leases and licences must pay a fee to
help recover the costs of administration. The
fee amounts will be specified in regulations.

The bill will have no net financial impli-
cations as it introduces no policy changes. As
it is impossible to predict the number of new
or surrendered titles each year, it would be
difficult to estimate the amount likely to be
received under these fees in any one year.

Furthermore, the Offshore Petroleum Bill
provides for amounts equal to annual fees
received by the Commonwealth to be paid to the relevant state or the Northern
Territory. This is because the administration
is carried out by state and Northern Territory
governments on behalf of the Australian
government.

I commend the bill to honourable mem-
bers and present the explanatory memo-
dum.

Debate (on motion by Mr Gavan
O’Connor) adjourned.

OFFSHORE PETROLEUM
(REGISTRATION FEES) BILL 2005
First Reading
Bill presented by Mr Entsch, and read a
first time.

Second Reading
Mr ENTSCHE Leichhardt—
Parliamentary Secretary to the Minister for
That this bill be now read a second time.

This bill sets out the fees payable in relation to the registration of transfers and dealings in titles under the proposed Offshore Petroleum Act.

The act proposed to be created by this bill is consequential on the repeal of the Petroleum (Submerged Lands) (Registration Fees) Act 1967 and is its replacement in conjunction with the Offshore Petroleum Bill 2005 and other bills achieving the rewrite of the Petroleum (Submerged Lands) Act 1967 and incorporated acts.

The proposed Offshore Petroleum Act will provide for the approval and registration of legal transactions that affect the ownership of titles. These transactions have no force until they have been thus approved and registered.

This is in order to maintain an accurate public register of the ownership of titles. Replicating the provisions of the Petroleum (Submerged Lands) (Registration Fees) Act, the registration of these transactions attracts a registration fee.

This bill sets out the different levels of registration fees that are to be payable, which can range from a minimum amount prescribed in regulations to an ‘ad valorem’ fee of 1.5 per cent of the value of the consideration or of the value of the title or interest.

The bill contains proposed policy changes to the effect that registration fees be extended to cover transfers of, and dealings in, infrastructure licences. In the long term, this could be expected to lead to some increases in registration fee revenues. However, during the five years for which provisions for infrastructure licences have existed in the Petroleum (Submerged Lands) Act, no infrastructure licences have been granted. It would therefore be inappropriate to attempt to quantify what the level of any such revenue increase would be.

The bill also proposes a minor clarification of what appears in the Petroleum (Submerged Lands) (Registration Fees) Act in relation to the deduction from the amount of registration fee imposed by the act of the value of any exploration works to be carried out under the dealing that is being registered. The current provision is not entirely clear on whether this deduction includes works which, for whatever reason, are carried out after the instrument evidencing the dealing is executed but before the instrument is submitted for registration. The bill makes it clear that works of the latter type are to be included.

Since the provision in question has generally been administered consistently with the interpretation that is now proposed to be made explicit in this bill, there should be little or no financial impact for Commonwealth revenues from making this clarification. I commend the bill to honourable members and present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

OFFSHORE PETROLEUM (ROYALTY) BILL 2005

First Reading

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

Second Reading

Mr ENTSCHE (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (10.24 am)—I move:

That this bill be now read a second time.

The act proposed to be created by this bill is consequential to the repeal of the Petroleum (Submerged Lands) (Royalty) Act 1967 and is its replacement in conjunction with the...
Offshore Petroleum Bill 2005 and other bills achieving the rewrite of the Petroleum (Submerged Lands) Act 1967 and incorporated acts. This bill sets out the royalty payable in respect of petroleum produced in the North West Shelf project area under the proposed offshore petroleum act.

For machinery reasons, the provisions by which the joint authority must determine the royalty rate to be applied to all petroleum recovered subsequent to the grant of the secondary production licence are proposed to be transferred from the Petroleum (Submerged Lands) Act to this bill, rather than into the Offshore Petroleum Bill. On the other hand, provisions about when provisional or determined royalty is due for payment, late payment penalty and recovery of royalty debt are proposed to no longer be part of the royalty act. They have been placed instead into part 4.6 of the Offshore Petroleum Bill 2005.

The fact that the Petroleum (Submerged Lands) (Royalty) Act applies, and this bill would apply, only in the North West Shelf project area is based on a decision by parliament in 1987. This was to introduce petroleum resource rent tax to all petroleum projects except those in areas covered by production licences granted on or before 1 July 1984 and the wider exploration permit areas from which those production licences were drawn.

Production from these titles remained subject to royalty under the Petroleum (Submerged Lands) (Royalty) Act. Following another subsequent amendment to the petroleum resource rent tax legislation, the only titles that now remain under the coverage of the Petroleum (Submerged Lands) (Royalty) Act are those in the North West Shelf project area.

The intention of rewriting the Petroleum (Submerged Lands) (Royalty) Act is to maintain current policy, meaning that there would be no financial consequences of the rewrite itself. However, an incidental policy change with a minor financial impact is proposed in this bill. This could benefit a royalty payer at the time when the petroleum production operation comes to an end. This could occur if, in monthly remittances of royalty, the royalty payer has made an overpayment through finalisation of a provisional payment or by an error in calculation or procedure, and production comes to an end with no further royalty payments. The royalty payer would then be able to obtain a refund equal to any overpayment in the final remittance.

This differs from the provisions of the existing royalty act, which allows overpayments to be accounted for by means of credits in future months’ payments but recognises no possibility of a refund when all payments have ended. This policy inconsistency is proposed to be rectified in this bill. The change is not expected to have any significant impact on Australian government revenues as the cessation of production operations in the North West Shelf project area will be a rare event and the total of any refund, assuming one was required, would be unlikely to exceed an amount in the thousands of dollars. I commend the bill to honourable members and present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

OFFSHORE PETROLEUM (REPEALS AND CONSEQUENTIAL AMENDMENTS) BILL 2005
First Reading
Bill presented by Mr Entsch, and read a first time.

Second Reading
Mr Entsch (Leichhardt—Parliamentary Secretary to the Minister for
That this bill be now read a second time.

To enable the passage of a rewritten version of the Petroleum (Submerged Lands) Act 1967 and incorporated acts, the Offshore Petroleum (Repeals and Consequential Amendments) Bill 2005 proposes repeal of the Petroleum (Submerged Lands) Act 1967, the Petroleum (Submerged Lands) Fees Act 1994, the Petroleum (Submerged Lands) (Registration Fees) Act 1967 and the Petroleum (Submerged Lands) (Royalty) Act 1967. The legislative regime in these acts would be re-established by the coming into force of the proposed Offshore Petroleum Act 2005, the Offshore Petroleum (Annual Fees) Act 2005, the Offshore Petroleum (Registration Fees) Act 2005 and the Offshore Petroleum (Royalty) Act 2005. Second, 30 other Commonwealth acts have been identified as requiring consequential amendments if the proposed new acts become law. This bill includes the relevant amendments.

The acts in question refer to provisions of the Petroleum (Submerged Lands) Act, either to avoid conflict with that act or because they confer rights, make prohibitions or impose obligations under different areas of law on persons who have a presence in the geographic areas that are covered by the Petroleum (Submerged Lands) Act. These areas of law include, for example, taxation and immigration. The consequential amendments to these acts proposed by this bill are mostly straightforward substitutions of terminology and references to schedules, parts and sections that appear in the Offshore Petroleum Bill.

Included is an amendment to the Corporations Act 2001. In accordance with the Corporations Agreement, I can advise that the government has consulted with the Ministerial Council for Corporations in relation to this bill. The council provided the necessary approval for the text of the bill, as required under the agreement for amendments of this kind. Also included is an amendment to the Administrative Decisions (Judicial Review) Act 1977, which will enable that act to cover decisions of the National Offshore Petroleum Safety Authority and OHS inspectors in relation to the designated coastal waters of certain states and the Northern Territory.

Finally, I would mention schedule 3 to this bill, which is an adjunct provision to one of the policy changes in the Offshore Petroleum Bill, specifically the removal of criminal sanction from failure to commence works or operations within a specified timeframe. This schedule is included so that any past breach of the section in question that could otherwise lead to a criminal conviction after the repeal of the Petroleum (Submerged Lands) Act will not lead to a prosecution or a conviction. It will also relieve persons from any civil consequences that may otherwise have arisen from the existence or possible existence of an offence under the provision. I commend the bill to honourable members and present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

OFFSHORE PETROLEUM (SAFETY LEVIES) AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (10.33 am)—I move:

That this bill be now read a second time.

The Offshore Petroleum (Safety Levies) Amendment Bill 2005 is intended to amend
the Offshore Petroleum (Safety Levies) Act 2003. This act imposes levies on the operators of facilities engaged in exploration for, and production, processing and conveyance of, offshore petroleum. The levies relate directly to regulatory activities carried out by the National Offshore Petroleum Safety Authority and are used to fully fund the cost of the authority’s operations.

This amendment bill is consequential on passage of the Offshore Petroleum Bill 2005 constituting the rewrite of the Petroleum (Submerged Lands) Act 1967. This amendment bill is necessitated principally by the fact that the proposed Offshore Petroleum Act would have a different title than the one it replaces. There are three types of amendments. First, there is omission of references to the Petroleum (Submerged Lands) Act 1967 and replacing them with the relevant references in the proposed Offshore Petroleum Act. Second, there are provisions to ensure amendments or name changes to other acts or regulations referred to in the existing act will not have any effect on key definitions in the act. Third, there are transitional provisions.

There are no changes to the levies provisions in the Offshore Petroleum (Safety Levies) Act and this bill will have no financial impact on either Commonwealth revenue or expenditure. I commend the bill to honourable members and present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

**SUPERANNUATION LEGISLATION AMENDMENT (SUPERANNUATION SAFETY AND OTHER MEASURES) BILL 2005**

*First Reading*

Bill presented by Dr Stone, and read a first time.
to reduce the reliance on acting members, to instruct other members as proxies for purposes of voting and for disclosing conflicts of interest at board meetings. Other proposed changes in schedule 1 include amending existing provisions of the Superannuation Act 1976, the Superannuation Act 1990 and the Superannuation Act 2005 to allow the CSS and PSS boards to delegate certain functions to their staff which will improve the administrative efficiency of the boards.

The bill also makes minor amendments to the Superannuation Act 1976 and the Superannuation Act 1990 to broaden the type of information that can be provided to scheme members via their employers, provided that this would not breach the Corporations Act 2001 or any other act.

The bill will also amend the Superannuation Act 1976 to allow negative crediting rates—negative earnings—to be applied to amounts held by members in the CSS. This will ensure members bear the investment risk relating to their account balances in the CSS fund and follows on from the announcement by the CSS board of the introduction of member investment choice. Similar changes will be made to the Public Sector Superannuation Scheme through a PSS amending trust deed.

Under current arrangements it is difficult for the CSS and PSS boards to equitably distribute fund earnings between members who leave the scheme and those who stay, especially when market conditions have led to negative fund reserves. Allowing negative crediting rates brings the CSS and PSS into line with usual arrangements for funded accumulation components of superannuation benefits in that members will bear the risk of their investment choice.

The bill will also amend the Superannuation Act 1976 to authorise a small number of CSS benefit payments that were incorrectly paid. I commend the bill to the House and present the explanatory memorandum.

Debate (on motion by Mr Gavan O’Connor) adjourned.

COMMITTEES

Public Works Committee
Approval of Work

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.41 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Reserve Bank of Australia Business Resumption Site at Baulkham Hills in Sydney, NSW.

The facility the Reserve Bank of Australia proposes to construct will provide systems and workspace back-up for the Reserve Bank’s critical operations which include Australia’s high-value interbank payment system, the Reserve Bank’s banking operations on behalf of the Australian government and its financial market operations, including domestic liquidity management and foreign exchange operations. The need for the facility has arisen from the Reserve Bank’s recent review of its disaster recovery and business continuity arrangements and the options available to it. The facility will provide a high degree of resilience in the event that access or services are not available at the Reserve Bank’s head office building.

In its report, the Public Works Committee recommended that this proposal should proceed. The estimated out turn cost of the proposed works is $38 million. Subject to parliamentary approval, it is planned to commence contract documentation in July this year and complete the works around mid-2007. I would like, on behalf of the govern-
ment, to thank the committee for its support, and I commend the motion to the House.

Question agreed to.

**Public Works Committee**

**Approval of Work**

**Dr STONE** (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.42 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Maribyrnong Immigration Detention Centre (MIDC)—Additional accommodation and related works.

The Department of Immigration and Multicultural and Indigenous Affairs proposes to undertake additional accommodation and related works at the Maribyrnong Immigration Detention Centre in Victoria. The Maribyrnong Immigration Detention Centre mainly caters for visa overstayers or those whose visas are cancelled because they have failed to comply with their visa conditions. Demand pressures at Maribyrnong are unable to be met within the confines of the current structures and are inadequate to address the longer term demand. The centre has limited current flexibility available to address the scrutiny needs of higher risk detainees while providing safety and security for the more vulnerable detainees, as well as staff of the service provider and the department. The expansion will provide additional accommodation and provide wide-ranging additional amenity to the residents that is not available in the current confines of the building. The estimated cost of the original proposed works is $7 million, on the basis of 130 detainees.

In its report the Public Works Committee has recommended that this proposal should proceed, subject to the recommendations of the committee. The most significant effect of the PWC recommendations is to limit the accommodation capacity to 100 detainees by reducing potential occupancy levels in the existing Maribyrnong facility. While some of the recommendations differ from those proposed in the project, the Department of Immigration and Multicultural and Indigenous Affairs will implement the recommendations. Subject to parliamentary approval, documentation work is scheduled to commence next month and construction will be largely completed by mid-2006. I would like, on behalf of the government, to thank the committee for its support. I commend the motion to the House.

Question agreed to.

**Public Works Committee**

**Approval of Work**

**Dr STONE** (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.45 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: New offices for the Australian Consulate-General in Bali, Indonesia.

The Department of Foreign Affairs and Trade proposes the construction of a new building to house the Australian Consulate-General in Bali. The new building will be constructed on vacant land being purchased by the Australian government. It will provide purpose-built accommodation for the Consulate-General. The Consulate-General is currently working from temporary leased premises following the closure on security grounds in September 2004 of the former leased offices, which had housed the Consulate-General since 1991. The building will be sited within landscaped grounds including a permanent location for the commemorative garden con-
structed following the Bali bombing. This garden will include the cross from the memorial service held for the bombing victims as well as the anniversary pond that was commissioned for the first anniversary memorial service.

In its report the Public Works Committee recommended that this proposal should proceed. The estimated cost of this proposal is $7.15 million. Subject to parliamentary approval, works are planned to commence in August this year and be completed by late 2006. I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

Public Works Committee
Approval of Work

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.47 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Mid-life upgrade of existing chancery building for the Australian High Commission, Singapore.

The Department of Foreign Affairs and Trade proposes a comprehensive mid-life upgrade and refurbishment of the existing chancery of the Australian High Commission in Singapore to modernise the facility and ensure full compliance with current Australian and Singapore building codes.

A key objective of the refurbishment is the consolidation of accommodation requirements. Since the building was first occupied, the number of staff—both Australia based and locally engaged—has been reduced, reflecting changes in office practices and efficiencies. The current configuration of offices and services is therefore no longer appropriate. Some areas of the building are currently vacant or inefficiently configured. The refurbishment will provide for a consolidation of current vacant areas into one floor, which will be available for any future requirements. New office fit-outs for tenant agencies will be undertaken concurrently with the mid-life upgrade of the building to create safe, flexible and efficient work spaces. Many of the existing building services are more than 25 years old and have reached the end of their useful and economic life. Their replacement is required to ensure that major plant breakdowns do not occur.

The project also includes, within a fenced compound:

- full support services—this is emergency power, potable water and fire fighting;
- staff recreation areas;
- a controlled access car parking area;
- and fully landscaped surrounds.

The estimated cost of the new proposal is $12.7 million. In its report the Public Works Committee recommended that this proposal should proceed. Subject to parliamentary approval, these works are planned to commence in March 2006 and to be completed in the first half of 2007. I would like to thank the committee for its support. I commend the motion to the House.

Question agreed to.

Public Works Committee
Approval of Work

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.49 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Construction
of a new chancery building for the Australian Embassy in Vientiane, Laos.

The Department of Foreign Affairs and Trade proposes to construct a new chancery building for the Australian Embassy in Vientiane, Laos. The present building—formerly a factory—was purchased by the Australian government in 1960 and refurbished for its current use. The building is in poor condition and is no longer adequate to meet the embassy’s requirements. It is too small to accommodate the staff of some tenant agencies, who have to be housed in separate leased buildings. It does not meet current security and occupational health and safety standards.

It is proposed to build the new chancery on vacant land acquired by the Australian government in 1997 as part of a reciprocal arrangement, which provided land for the Lao embassy in Canberra. The site would satisfactorily meet the long-term needs of the embassy, in terms of both location and function. The present chancery building will be sold. Other options considered were leasing accommodation for the chancery, and building on the existing site. Neither of these options is viable. No suitable buildings are available for lease in Vientiane. Construction of a new chancery on the existing site would not meet boundary setback and other security requirements.

The estimated cost of the new facility is $11 million. In its report the Public Works Committee recommended that this proposal should proceed. Subject to parliamentary approval, construction is planned to commence in March next year and be completed in the first half of 2007. Again, I thank the committee for its support and I commend the motion to the House.

Question agreed to.

Public Works Committee
Approval of Work

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.52 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Refurbishment of Australia House in London, United Kingdom.

The Department of Foreign Affairs and Trade proposes the refurbishment of Australia House in London. Australia House accommodates the Australian High Commission, as well as a number of federal and state government tenant agencies, including Department of Defence staff.

The scope of the proposed works will include the following components:

- erection of a temporary scaffold and hoist structure outside Australia House, and inside the light wells, for movement of personnel, equipment and material;
- construction of temporary accommodation on the top building floors for Defence staff while their fourth level is refurbished;
- refurbishment of the fourth level of the building, including base building services and fit out, after Defence staff have temporarily relocated;
- refurbishment of the light wells, comprising replacement of single glaze windows and frames with double glaze units of similar appearance, repair and replacement of damaged brickwork, face tiles and cast iron pipe work, and high pressure cleaning generally; and
- removal of scaffold and hoists after completion of refurbishment works.

CHAMBER
The estimated cost of the new proposal is $11.98 million. In its report, the Public Works Committee recommended that this proposal should proceed. Subject to parliamentary approval, these works are planned to commence in May 2006 and be completed by mid-2007. Again, I thank the committee for its support. I commend the motion to the House.

Question agreed to.

Public Works Committee
Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.54 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Relocation of selected RAAF College units to RAAF Base East Sale, Victoria, and RAAF Base Wagga Wagga, NSW.

The Department of Defence proposes the relocation of selected elements of the RAAF College. This will involve, firstly, the relocation of the RAAF college headquarters from RAAF Williams, Point Cook Base in Victoria to RAAF Base Wagga in New South Wales; secondly, the relocation of the officer training school from Point Cook Base to RAAF Base East Sale in Victoria; and, finally, the relocation of No. 1 Recruit Training Unit from RAAF Base Edinburgh in South Australia to RAAF Base Wagga.

The relocation project will comprise a number of distinct elements. At RAAF Base East Sale, there will be new administration, training and living-in accommodation facilities for the officer training school, as well as a new combined mess, and an upgrade to various base support elements including the base engineering services. At RAAF Base Wagga, there will be new administration, training and living-in accommodation for No 1 Recruit Training Unit, as well as a refurbishment to the airmen’s mess kitchen and upgrade to various base support elements including the base engineering services; and officer accommodation for the headquarters RAAF College to be provided by refurbishing an existing facility.

The total budget for the proposed works is $133.4 million, with at least $60 million expended at each site. Subject to parliamentary approval, construction will start later this year and be completed by the end of 2008. I commend the motion to the House.

Mr JENKINS (Scullin) (10.56 am)—As a member of the Public Works Committee I rise to speak on this referral and in general about the work of the Public Works Committee and its role within the parliament. The fifth edition of House of Representatives Practice, ‘Harris 2’, indicates that the committee:

... may also report on any other matters related to the work where the committee thinks it desirable that its views should be reported to the Houses. In its report the committee may recommend any alterations to the work which it thinks necessary or desirable to ensure that the most effective use is made of public moneys.

I have been a member in this and the last parliament. I think that the committee has shown, in the great tradition of public works committees, its ability to carry out its tasks in (1) a bipartisan manner and (2) the best traditions of ensuring that public accountability on any of these measures is at the utmost in our work.

I apologise to the Parliamentary Secretary to the Minister for Finance and Administration for not being here earlier when there was mention made of the Maribyrnong Detention Centre. I would see that as one of the best traditions of the way in which the committee does its work, because in this case, in a very sensitive area, the committee made certain criticisms by way of recommenda-
tion. I am very pleased that the department has adopted those recommendations and that the parliamentary secretary has had the opportunity to come into the chamber and seek the parliament’s approval of the works on the basis of those recommendations. I think that it is an example of the way in which the processes of the parliament can work in its best tradition.

To ease the mind of Minister Hockey, I do not wish to make in any way a political comment because, in a very sensitive area, in talking about the Maribyrnong Detention Centre, there was a separation of policy areas by the Public Works Committee to zero in on what we thought were the important public work aspects. We endeavoured to make recommendations that would lead, to borrow from the words of the department, to ‘human and non-punitive detention infrastructure’. I hope that our work has achieved that and I hope that the department can take on board the experience, which was a learning experience for both the committee and the department, in any future proposals that it brings forward. The only slightly political thing I would say is that, in the case of the provision of detention for children, now that those matters have changed, perhaps the department could also rethink some of those matters. I thank the House for its indulgence in allowing me to stray a little from the matter that is directly before the chair.

Question agreed to.

Public Works Committee
Reference

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (10.59 am)—I thank the previous speaker, the member for Scullin, a member of the Public Works Committee, for making the point that the Public Works Committee does excellent work in a very bipartisan way. We thank members of the committee very much for the contribution they make to achieving best value for money for the Australian public. I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: RAAF Base Amberley redevelopment stage 2, Queensland.

The Department of Defence proposes the RAAF Base Amberley redevelopment stage 2, Queensland. The aim is to:

• provide new working accommodation and infrastructure for the multirole tanker aircraft to be operated by 33 Squadron;
• provide new working accommodation for elements of 9 Force Support Battalion; and
• upgrade and refurbish the base’s engineering services and infrastructure.

The proposed redevelopment provides suitable facilities and infrastructure to enhance the base’s operation requirements. With the planned arrival of the multirole tanker transport aircraft, RAAF Base Amberley will be one of the busiest Defence airfields in Australia. The estimated out-turn cost of the proposed works is $285.6 million. Subject to parliamentary review, construction could commence late this year and be completed by December 2007. I commend the motion to the House.

Question agreed to.

HUMAN SERVICES LEGISLATION AMENDMENT BILL 2005

First Reading

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

Second Reading

Mr HOCKEY (North Sydney—Minister for Human Services) (11.01 am)—I move:
That this bill be now read a second time.

I have great pleasure in introducing the Human Services Legislation Amendment Bill 2005.

This bill amends the Health Insurance Commission Act 1973 and the Commonwealth Services Delivery Agency Act 1997 by making changes to the governance structures of Centrelink and the Health Insurance Commission.

These changes form part of the implementation of the government’s response to the review of corporate governance of statutory authorities and office holders that was conducted by Mr John Uhrig.

The primary purpose of the report by Mr Uhrig was to identify ways in which corporate governance might be improved and to provide the government with options for increasing accountability and ensuring high levels of performance of government agencies.

As part of his report, Mr Uhrig developed two templates for assessing statutory authorities—a ‘board’ template for use when the government was prepared to delegate full power to the statutory authority to act independently from government and an ‘executive management template’ for use in other cases.

Mr Uhrig recommended that a governance board should only be utilised in relation to a statutory authority where the government was willing to delegate ‘full power to act’ to the authority.

The government released its response to Mr Uhrig’s report on 12 August 2004. The government endorsed Mr Uhrig’s recommendation that governance boards should be utilised only where they can be given full power to act. The government also announced that it would assess all statutory authorities and other bodies using the Uhrig templates.

Mr Uhrig said in his report:

The HIC and Centrelink are both established to provide services to the community on behalf of government, through Commonwealth Agencies. However the HIC is established with a Board and is covered by the CAC Act, while Centrelink is covered by the FMA Act and unusually, is also governed by a Board. Apparently, given the need to strengthen the government’s power of the Centrelink Board, the Financial Management and Accountability Regulations 1997 establish the chairman of the board as the chief executive for FMA Act accountability purposes. However the actual chief executive officer is the Agency head for PS Act purposes. This situation creates an anomaly of having two chief executives for accountability and governance purposes.

That is quite absurd, as you would agree, Mr Deputy Speaker.

Centrelink and the Health Insurance Commission are service delivery organisations that are funded from the public purse.

The organisations are responsible for the delivery of very large and important government programs, worth over $82 billion annually. Through this delivery, Centrelink and the HIC touch the lives of almost every Australian. The programs and services they deliver are the essential glue that keeps the social fabric of the Australian community together.

Because of this vital role, these agencies need to move closer to government to ensure that their daily operations deliver the outcomes that government and taxpayers expect.

Indeed, it is important that the organisations be brought under strong ministerial control. With this in mind, the government assessed both Centrelink and the Health Insurance Commission against Mr Uhrig’s executive management template. This assessment suggested that a number of governance
changes should be made to both organisations. This bill implements the changes that require legislative amendment.

A key change made by this bill is the removal of the governance boards for Centrelink and the Health Insurance Commission. Both boards have served their organisations diligently over many years, and the government is grateful for the commitment of the current and former members of the boards who have contributed so much of their time and expertise. However, neither board can be fully effective, as neither board has, or could realistically be given, full power to act completely independently of government when they are delivering core government services.

Following the changes to be made by the bill, the management of both organisations will be vested in a chief executive officer. These chief executive officers will have clear and direct accountability for the performance of their organisations.

Efficient organisations are professional, are well organised, have excellent management control, are able to remedy problems quickly and are responsive to customer and stakeholder concerns.

Through these changes there must be a greater focus on cost effectiveness and better management of financial resources—in particular, using purchasing power to produce better outcomes for less money.

A significant challenge is to ensure the agencies in Human Services continue to deliver the already long list of existing government programs whilst undertaking the changes necessary to achieve our goals.

Simplicity in both service and vernacular should help us achieve our goals. For example, given that the Health Insurance Commission will no longer be a commission, it is appropriate to change its name. This bill will establish Medicare Australia to replace the Health Insurance Commission. The Medicare name is well known by almost all Australians and the new name will help customers to identify readily with the organisation.

Mr Uhrig also recommended that, generally, the Financial Management and Accountability Act 1997 financial framework should be applied to bodies which do not require a governance board. The government has accepted this recommendation and, accordingly, the new Medicare Australia will be a prescribed agency under the Financial Management and Accountability Act 1997.

The bill will also provide that the staff of Medicare Australia will be engaged under the Public Service Act 1999, along with the majority of other public servants.

By bringing Centrelink and the Health Insurance Commission as well as my other agencies under the one umbrella of Human Services, we have the opportunity for the first time to review how they operate from a customer perspective. We must repeatedly ask whether the original policy intention is carried through in the delivery of the programs.

Part of this process is pinpointing each agency’s core functions and constantly measuring its performance against the objectives of the government’s commitment to efficient service delivery.

As Mr Uhrig said:

Departments are the primary source of public sector advice to ministers and are best placed to support ministers in the governance of statutory authorities. In this respect, the portfolio secretary has a role akin to an advisory function within a parent company in providing advice to the CEO about the activities of the company’s subsidiaries.

The governance changes to be made by the bill will be complemented by other changes that do not require legislation.

The government will be issuing statements of expectation to the chief executive
officers of Centrelink and Medicare Australia to clarify expectations, and the chief executives will be replying with statements of intent. These documents will be made public.

The Department of Human Services will analyse information about the performance of Centrelink and Medicare Australia and provide advice to the government. The chief executive officers will report to me through the Secretary of the Department of Human Services.

The government will also, at the appropriate time, be establishing a Human Services Advisory Board to ensure that it receives advice from relevant sectors of the community about delivery issues and service improvement proposals in the human services area. All of these initiatives form part of the government’s implementation of the Uhrig report.

Our 20 million customers have little regard for sectoral and bureaucratic differences. Instead they just expect the government to deliver services in a timely, efficient, cost-effective and easily understandable manner. Changes brought into effect by this bill will assist the government to deliver on that expectation.

The changes made by the bill will improve accountability and enhance the performance of both of these important organisations. The outcome will be a better level of service to Australians.

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

Debate (on motion by Mr McClelland) adjourned.

COMMITTEES
Corporations and Financial Services Committee
Report
Ms BURKE (Chisholm) (11.11 am)—by leave—On behalf of the Parliamentary Joint Committee on Corporations and Financial Services I present an erratum to the committee’s report on the exposure draft of the Corporations Amendment Bill (No. 2) 2005.

CRIMES LEGISLATION AMENDMENT (TELECOMMUNICATIONS INTERCEPTION AND OTHER MEASURES) BILL 2005
First Reading
Bill received from the Senate, and read a first time.

Second Reading
Mr RUDDOCK (Berowra—Attorney-General) (11.12 am)—I move:

That this bill be now read a second time.

This bill amends the Telecommunications (Interception) Act 1979 and the Criminal Code Act 1995 to ensure that they operate in a manner that enhances rather than hinders the functioning of our law enforcement agencies.

The bill also implements all recommendations made by the Senate Legal and Constitutional Committee in its report on the provisions of this bill.

The interception of telecommunications in Australia by law enforcement and national security agencies is regulated by the Telecommunications (Interception) Act.

That act contains a general prohibition against the interception of communications passing over a telecommunications system without the knowledge of the person making the communication.

This general prohibition operates subject to limited exceptions.

Emergency services amendments
The interception act currently provides that listening to or recording a communication to certain prescribed emergency service numbers, such as 000, is not an interception for the purposes of the act.
However, the structure of the provision presupposed that only a few numbers needed to be prescribed to monitor all calls to emergency centres.

In reality, the police, ambulance and fire services use hundreds, if not thousands, of numbers behind the scenes to provide the level of emergency services that all Australians enjoy.

The amendments proposed by the bill will mean that all calls made to or from an emergency call facility will be able to be recorded without infringing the interception act where that recording is undertaken by a person who is lawfully engaged in the receipt and handling of calls for emergency assistance.

To further enhance the accountability within the proposed amendments, the emergency services provisions will not apply unless there are notices posted at all entrances to a declared emergency services facility stating that listening to or recording of communications may occur within that facility.

There will also be a need to make a legislative instrument, which will be subject to full parliamentary scrutiny under the Legislative Instruments Act 2003, identifying the region in which the facility is situated and the service to which the facility relates, but not the precise location of that facility.

Radicommunications amendments

The bill also provides that listening to or recording a communication by an authorised inspector under the Radiocommunications Act who is performing a spectrum management function is not an interception for the purposes of the interception act.

This amendment will ensure that radiocommunications inspectors are not hampered in undertaking their statutory function by the fact that some telecommunications services use radiocommunication.

I understand that interference from radiocommunications generated by telecommunications devices, such as portable phones, can affect the operation of essential services such as air traffic control towers and so the amendment has a significant safety aspect to it.

Ancillary offence amendments

The bill will also allow telecommunications interception warrants to be obtained in connection with the investigation of the ancillary offence of accessory after the fact for a class 1 offence.

The absence of this power means that an important investigative tool is not available to law enforcement agencies who are investigating the activities of a person suspected of helping someone who has committed an extremely serious offence such as murder or a terrorism offence to evade justice or to dispose of the proceeds of their crimes.

Accountability Amendments

The interception act contains a range of safeguards, record-keeping and reporting requirements to ensure that telecommunications interception is used sparingly and in appropriate cases, and that intercepting agencies adhere to strict standards of accountability.

To further enhance those oversight arrangements, the bill will implement two recommendations from the Report of the review of named person warrants and other matters completed by Mr Tom Sherman AO.

Those recommendations deal with statistical information for named person warrants and additional information to be included in the Attorney-General’s annual report.

To ensure that the use of lawfully obtained information stays in line with changes to the law enforcement environment, the bill will allow intercepted information to be used in civil forfeiture regimes.
The amendment reflects the recent shift in most jurisdictions towards civil forfeiture regimes in addition to forfeiture following a criminal conviction.

The government has, in consultation with many interested parties, considered the remaining recommendations from the Sherman report and is pleased to note that of the remaining five recommendations, recommendations 1 and 2, which address the administrative processes and practices that the agencies adopt in relation to a named person warrant, are being addressed by the Interception Consultative Committee.

In addition, the government accepts recommendation 3 and agencies will ensure that, wherever practicable, persons making applications for law enforcement warrants should include a lawyer and the deponent to the supporting affidavit.

The government does not, however, accept recommendation 5.

The need for ASIO to report publicly in relation to its use of telecommunications interception warrants was considered in detail by the Parliamentary Joint Committee on ASIO in 2000.

It was then, as it is now, ASIO’s practice not to report publicly in relation to its use of telecommunications interception warrants and the committee did not recommend any change to this practice.

ASIO discharges its accountability responsibilities by furnishing its classified annual report not only to the government but also to the opposition.

The Sherman report did not raise new substantive arguments to justify revisiting this arrangement.

The government also does not accept recommendation 8.

Recent developments in technology, particularly the advent of digital communications technology, mean that it may be impractical and inappropriate for the interception act to seek to regulate ‘original’ records.

The government thanks Mr Sherman for his thorough review of the named person warrants provisions.

**Employee of a carrier amendments**

The bill also clarifies that the term ‘an employee of a carrier’ should not be read as being limited to someone employed in a narrow legal sense.

Such an interpretation does not reflect the reality of the workplace or corporate structures where people are engaged as contractors as well as by subsidiary or related companies.

The explanation will apply to all references to an employee of a carrier in the interception act.

This provision does not seek to alter the definition of employee.

Rather it is designed to explain what has always been the case.

**Criminal Code amendments**

Finally, the bill amends the Criminal Code Act 1995 to extend the operation of certain defences available in relation to telecommunications offences in part 10.6 of the act. The amendment will ensure that the existing defence, available to a range of law enforcement agencies, extends to all agencies that may engage in conduct that may contravene the offences.

The amendments proposed by this bill represent a balanced response to the need for the legislation that regulates our law enforcement and security agencies to support the work of those agencies, without losing sight of privacy, transparency and accountability issues. I commend the bill to the House and present the explanatory memorandum.
Leave granted for second reading debate to continue immediately.

Mr McCLELLAND (Barton) (11.19 am)—The opposition fully supports the second reading. The Attorney-General in his second reading speech outlined the essential substance of the Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005. Those measures are obviously important and fully supported. My contribution will be less extensive and will focus primarily on those areas that were the subject of some controversy. As the Attorney-General has outlined, the bill establishes a more sophisticated regime for the lawful interception of telecommunications in Australia by our law enforcement agencies. This is an important piece of legislation that sets out a workable and sensible regime to allow communications to and from emergency service facilities to be recorded, whilst protecting the privacy of those who use the Australian telecommunications system by making it an offence to intercept communications passing over a telecommunications system other than as permitted by the Telecommunications (Interception) Act.

From the outset, the opposition have agreed to the need to secure the expeditious passage of this bill in the national interest. At the same time we wanted to ensure that the bill incorporated sensible safeguards to protect the Australian people from the potential overreach of interception technology. Over the course of negotiations with the government several issues were raised concerning the adequacy of the safeguards incorporated in the bill. Of primary concern was the extent to which calls made to and from an emergency services facility that are not for the purpose of communicating information about an emergency could legitimately fall under the ambit of the bill. As originally introduced, this would allow any communications by an employee or volunteer at an emergency service facility, including personal mobile phone calls, email and SMS messages, to be intercepted without warrant under the Act. As agreed by the government during subsequent discussions, this would have extended the operation of the bill beyond its originally intended purpose.

A further significant issue was that, as initially proposed, those emergency service facilities through which communications could be intercepted without warrant would have only been declared by the Attorney-General’s written declarations. These would not have been legislative instruments for the purposes of the Legislative Instruments Act and thus would not have been the subject of parliamentary scrutiny and potential disallowance. Furthermore, there was no readily apparent limit to the number of agencies, under proposed amendments to the Criminal Code Act, who would be exempted from the prohibition against intercepting telecommunications. As a result of these issues being identified, the opposition referred the bill to the Senate Legal and Constitutional Legislation Committee for inquiry and report. On the whole, the submissions and evidence received by the committee were supportive of the bill and its purposes. However, some submissions noted the need for caution in this area, and I think both sides of parliament recognise that caution is appropriate. For instance, the Law Council of Australia commented on the wide range of communications that could now be captured by the bill: The scope of information that the amendments of the Bill capture ... is extremely wide. The Bill will, for example, allow the interception of phone calls, email and potentially mobile telephone calls to or from the emergency service facility.

This issue has been addressed, as I will indicate. The Senate committee recommended that emergency service interceptions from emergency service facilities would occur
lawfully in the course of an employee’s duties and that the list of those deemed to be law enforcement officers should be clarified. The effect of this recommendation resolves the concern the opposition held as to the overreach of the bill in capturing communications not envisaged by the bill. The sensible operation of the bill has also been enhanced by the government proposing that the regime for intercepting calls made to and from emergency service facilities only applies where there is a notice at all entrances to such facilities advising personnel and volunteers of the recording of communications in those facilities. That is a sensible proposal, one which I think employees and volunteers in those facilities would appreciate. The Law Council of Australia also submitted that emergency service facilities should be declared by legislative instrument, to enhance parliamentary scrutiny of the extent of those bodies that can lawfully intercept communications.

The committee recommended that any declaration deeming an emergency service facility should be by legislative instrument for the purposes of the Legislative Instruments Act, to allow full and proper scrutiny by parliament and, potentially, disallowance. To protect the interests of vital infrastructure, and indeed to protect those working within facilities from potentially being targeted in the event of an emergency or even perhaps a terrorist attack, the committee rightly considered, in the opposition’s view, that the bill should provide that there is no requirement for the information provided to parliament to detail the specific location of the emergency service facility. This was an original concern of the government in providing for the declaration mechanism, as opposed to the legislative instrument mechanism. So information contained in the relevant legislative instrument should only include identification of the town or city, the region, and the state or territory in which the emergency service facility is located. Specification of the facility and the service concerned in general terms without identification of the location would not, in the committee’s or the opposition’s view, compromise the security of such facilities but would enable appropriate parliamentary scrutiny of this ministerial power.

The committee also made a recommendation to improve the reporting requirements to parliament under the bill, a recommendation the opposition fully support to improve accountability. From day one, the opposition have agreed to the need to secure the expeditious passage of this bill in the national interest but have felt additional safeguards were necessary to protect the Australian people from the potential misuse of the powers contained in the bill. That is not to say that there would necessarily be any deliberate intention for those powers to be misused, but misuse occurring through error, for instance, was something that we wanted to avoid. The government has appropriately moved amendments that adopt all of the recommendations of the Senate Legal and Constitutional Legislation Committee to improve the operation of the bill. The work of the committee must be commended. We respect the government for its openness in accepting the committee’s recommendations. The adoption of the recommendations of the committee again highlights what we believe is the valuable work of the committee system of the parliament.

The opposition fully support the amendments that the government has put in place to accommodate these recommendations of the committee. Because of these amendments, we now have a legislative framework that sets out a workable and sensible regime to allow communications to emergency service facilities to be recorded for law enforcement purposes while protecting the privacy of those who use the Australian telecommunications system. Additional safeguards incorpo-
rated in the bill require the Attorney-General to provide in the Attorney General’s annual report statistics relating to the number and type of emergency service facilities that have been declared each year. They require particulars of any deficiencies identified in the operation of the bill to be reported in the annual report. Today, through a sensible and constructive legislative approach taken with the government—and with the government’s cooperation—the Australian public has a far better piece of legislation that not only enhances the operation of our law enforcement agencies but also establishes a regime to protect privacy and ensure a greater degree of parliamentary accountability. The opposition fully support the passage of this important legislation.

Mr KEENAN (Stirling) (11.28 am)—I rise to support the Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005. I commend the government for introducing the bill, particularly the Attorney-General for his efforts to ensure that it operates effectively whilst maintaining the necessary safeguards of protecting an individual’s right to privacy. In moving this bill through parliament, the government have demonstrated clearly that they are serious about ensuring that the Telecommunications (Interception) Act 1997 and the Criminal Code Act 1995 operate effectively. This bill amends those two pieces of legislation to ensure that they operate in a manner that helps—rather than hinders—law enforcement and emergency service personnel and communications officers in carrying out their work.

The bill allows emergency service organisations and radio communications inspectors the flexibility to use the information that they have obtained from recorded communications in order to discharge their essential statutory functions. At the same time, it expressly limits the power to record communications to officers who are lawfully engaged in the discharge of these same duties in order to protect the privacy and rights of individuals.

Amendments have been made to the original bill to respond to the concerns expressed by the Senate Legal and Constitutional Affairs Committee. They are practical adjustments that will enhance the bill’s operations and add further safeguards. The bill strikes a balance between allowing law enforcement agencies, emergency service personnel and radio communications inspectors to do their job and ensuring that any telecommunications intercepts are subject to a transparent and accountable reporting regime.

I will touch on two aspects of this bill which will no doubt have great benefits to the residents of my electorate of Stirling. They are the impact it will have on emergency service personnel and the boost it will provide to crime fighting. Firstly, this bill will provide our police and other law enforcement agencies with the ability to use telephone intercepts to catch people suspected of assisting serious criminals to evade prosecution—people who have been accessories after the fact. I have no doubt that this measure will be welcomed by crime fighters across the nation. I also hope that providing crime fighters with such an important tool will send a warning signal to those who believe they will get away with helping serious criminals to dispose of the proceeds of crime or to otherwise evade justice.

The bill certainly makes it clear that the Howard government is serious about tackling organised crime and supporting the agencies at the coalface, who are trying to put an end to the business of causing harm in the community. Under current laws, police can get a warrant to intercept a telecommunications service when they are investigating serious
class 1 and class 2 offences. These offences include, but are not limited to, murder; kidnap-ping; drug trafficking; ancillary offences, such as aiding and betting, and conspiring to commit these kinds of offences; serious offences involving the loss of life or serious personal injury; child pornography; and, slavery and sexual servitude. I think we would all agree that they are the most heinous crimes that can be committed in our community and there is no doubt that all levels of government must do whatever they can to help police catch those responsible.

Current telephone intercept warrants are an invaluable tool for law enforcement agencies in Western Australia and indeed across the nation. A look at the Telecommunications (Interception) Act 1979: report for the year ending 30 June 2004 shows just how important telephone intercept warrants are in the war against crime. The report shows that under existing laws, the Western Australia Police Service applied for 182 warrants and were issued with 178. The offences for which the warrants were sought, as specified in the applications, included murder, organised crime offences, and bribery and corruption. But as was the case in other states, the overwhelming majority of those warrants were issued to assist in drug related investigations: 107 of the 178 warrants issued to WA police in that time specified trafficking in drugs as the reason the warrant was sought.

We all know the scourge of drugs in our community. Since the launch of the Illicit Drug Strategy in 1997, the Howard government has spent more than $1 billion on a range of supply, demand and harm reduction measures. If this bill helps catch more people involved in drug trafficking it will certainly be worth while.

The effectiveness of telecommunications interception warrants is also documented in the latest telecommunications interception report. In Western Australia in 2003-04, 157 arrests were made on the basis of lawfully obtained information resulting from a warrant. In 2003-04, the Western Australian Police Service made 583 prosecutions, and 345 convictions were obtained where lawfully obtained information was given in evidence. Nationwide, for every 100 warrants issued there were 87 prosecutions and 60 convictions on the basis of intercepted information. That is an increase on previous years.

The figures speak for themselves and it is clear that being able to obtain warrants to intercept telecommunications is a vital tool for police services all over the nation—including in Western Australia—in the fight against crime. Despite this, under current laws, enforcement agencies have been unable to obtain warrants to intercept the telecommunications of people connected to the ancillary offence of accessory after the fact for serious crimes. That will all change with the passing of this bill and I congratulate the Attorney-General for instigating such a sensible and valuable change. When passed, the bill will enable law enforcement agencies, such as the Western Australia Police Service, to use telecommunications warrants to assist in catching someone suspected of assisting a person who has committed an offence such as murder or terrorism. Moves such as this will help police to catch more criminals and their accomplices, and put them behind bars where they belong.

This leads me to another aspect of the bill which will assist residents of my electorate of Stirling. While we all hope that we will go through life without the need to call for emergency assistance, many of us will have the misfortune of making a call to the fire brigade, police or ambulance using the 000 service. The Stirling community is blessed to have many people who answer these cries for assistance, be it on a paid or voluntary basis.
They provide a fantastic service, one which will be given a great deal of assistance with the passing of this bill.

The amendments proposed by the bill mean that calls made to and from a declared emergency facility can be recorded without infringing the Telecommunications (Interception) Act. Only those engaged in duties relating to the receiving or handling of communications to or from an emergency service will be able to intercept such communications. This means that only those who are legitimately required to record communications for the effective delivery of emergency services will be subject to this provision. Allowing such interception will ensure that local residents get the best possible assistance in the unfortunate event that they need to call on an emergency service. In the electorate of Stirling, as in other parts of Australia, local residents rely on the best possible response from emergency service organisations. So this aspect of the bill will be vital.

Allowing the recording of both incoming and outgoing calls related to an emergency will assist in the provision of better services in a number of ways. Firstly, it will allow the playback of calls, to better ascertain details of the emergency, particularly where a frightened child or a frantic caller may be difficult to understand. The people who answer these calls are extremely skilled at obtaining information, but recording will assist emergency services to provide the most appropriate and fastest response. It will also allow the recording of the tasking of emergency units to attend an emergency. It will help to provide immediate assistance where a caller hangs up or where calls need to be made from an emergency service to get more details. It will also ensure that all actions of the emergency service in responding to an incident are transparent and accountable. Importantly, the recording of these calls will allow for better training of staff, which is vital in providing the best possible service to our community in emergencies.

Another aspect I would like to comment on is the new exception proposed by the bill to allow authorised inspectors to intercept information under the Radiocommunications Act. This can only be done where the interception is incidental to the performance of a spectrum-management function. The current situation is that inspectors cannot investigate radio communications interference if they emanate from a telecommunications service. It is important to ensure that inspectors are able to carry out their work. From a safety point of view, it is also important that the matter of telecommunications devices interfering with the operation of essential services be resolved.

This bill is important for the people of Stirling. It will assist in the fight against crime—in particular, serious crime. It will ensure the community continues to get the highest-quality, open and accountable emergency service. It ensures that radio communications inspectors can carry out their job to the best of their ability. In my view, it achieves all this without diminishing the individual’s right to privacy. It is a difficult task to find the right legislative balance between the need to empower our law-enforcement and security agencies without infringing privacy or diminishing openness and accountability. The bill is testament to the hard work of the Attorney-General and all who have been involved in the bill’s formation. They have struck the right balance. I commend the bill to the House.

Mr SLIPPER (Fisher) (11.40 am)—Thank you, Mr Deputy Speaker Lindsay, and congratulations on your continued occupancy of the chair. The Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005 is a very important piece of legislation, particularly in
view of what has occurred around the world over the past four years. Our society has undergone a whirlwind of change, particularly in the area of national and international security. This has been impossible not to notice.

Commentators often measure major shifts in the national psyche in the terms of decades. For instance, the eighties were labelled with the ‘greed is good’ moniker, the nineties were the years of generations X and Y, and now we are in a new millennium. However, when it comes to national security and crime, things have regrettably changed much more rapidly. A substantial shift was triggered by the 9-11 attacks in 2001, the Bali bombing a little over a year later, the bomb attack outside the Australian embassy in Jakarta last September and, more recently, the white-powder attacks on our own home soil. Countless billions of dollars have been spent fighting terrorism worldwide and countless billions more will have to be allocated by nations around the globe to make sure that this scourge is contained and, hopefully, eliminated.

The Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005 aims to modify the Telecommunications (Interception) Act 1979 and the Criminal Code Act 1995 to better enable these laws to meet demands today, given our current security requirements. One area that will be revamped under this bill is the lawful interception of telecommunications in Australia by authorised enforcement agents and inspectors. Quite appropriately for a democratic society, the interception act already outlines strict requirements in the use of telecommunication interception, such as stringent reporting and record-keeping conditions, as well as strict standards of accountability. The act also stringently controls the issue and cancellation of warrants, the specific provisions outlined in the warrants and the use of intelligence information that has been gathered through the use of a warrant.

In light of these already strict safeguards, the amendments outlined in this bill will include defences for police investigators, authorised security officers and other law enforcement agents who are required to use telecommunications interception procedures in their investigation of offences. The change relates particularly to the recording of telephone communications with the police, ambulance and fire brigade. The laws currently specify calls to the 000 emergency number but fail to recognise that these emergency services organisations actually rely on many thousands of phone lines, each with a different number, in their daily dealings with crime and other emergencies. This bill will rectify that oversight—and society will be much better off as a result.

The amendments promoted by this bill will ensure that authorised officers investigating crimes will be able to use the available telecommunications procedures to allow the interception of communications to and from declared emergency services facilities without a warrant. A limited exception will be created to allow authorised radio communications inspectors to intercept communications in fulfilling their duties under the Radiocommunications Act 1992. The amendments will also allow interception warrants to be acquired for investigation of additional offences such as ‘accessory after the fact’.

Investigations into people suspected of being involved with perpetrators of such serious offences as terrorism and murder can also be enhanced under the provisions of this bill. They will facilitate the capture of those trying to evade capture or trying to dispose of the evidence of proceeds of their crimes. The amendments in no way afford permission to unauthorised people to intercept these communications and general rights to pri-
vacy for ordinary Australians are not compromised. These measures will be used sparingly and appropriately. The changes mean that all phone calls made to emergency call centres will be recorded without breaching the requirements of the interception act. Their investigations extend to the probing of interference from radio communications generated by mobile phones and other telecommunications devices. Some of this interference has the ability to disrupt operations such as air traffic control services. In this aspect, the amendments will help to maintain public safety.

The modifications in the bill are among the countless changes that have been brought about, and will continue to be brought about, as a result of the changing world in which we are privileged to reside. They are important changes to ensure that Australians who are entrusted with the responsibility of investigating crimes and ensuring our safety and security have every means available to them to get the job done.

Before I close, I would like to say what an important role the Attorney-General is playing in the fight against terror. His legislative workload is very high and he has been swift to respond to changed circumstances. It is my view that our nation is a much safer place because of the important role carried out by the current Attorney-General. I commend the Crimes Legislation Amendment (Telecommunications Interception and Other Measures) Bill 2005 to the House and express my wish that it should have a speedy passage.

The DEPUTY SPEAKER (Mr Lindsay)—I thank the member for Fisher for his kind comments in relation to my occupancy of the chair.

Mr RUDDOCK (Berowra—Attorney-General) (11.46 am)—in reply—Members have been very generous in this debate, and like you, Mr Deputy Speaker Lindsay, I thank my colleagues the member for Stirling and the member for Fisher for their very supportive remarks. I do not want to damn the member for Barton by saying that he praised me as well, because that might prejudice his position, but I do welcome his thoughtful responses in these matters and his cooperation, where he considered that to be worthy and appropriate, in relation to this measure. I am glad he came to the view that the bill is worthy of support, because the Telecommunications (Interception) Act allows for law enforcement and associated agencies to obtain evidence in the investigation of criminal activity. The member for Fisher related this particularly to the important work in which all our agencies are involved in relation to possible acts of terrorism.

The government has ensured that the interception powers are subject to a legislative scheme operating with appropriate accountability and control. It is a question of getting the balance right in relation to those matters, and this bill is to allow interception activity to continue to operate in a manner that assists expeditious but appropriate access to evidentiary material, particularly by law enforcement agencies. Recording calls that give advice in relation to potential emergencies can at a later date preserve an evidentiary trail, which is important to us all. Further, the bill supports our emergency services operators by amending the act to provide for recording of calls made to and from their facilities. It is necessary to do this to assist the broader work that police, ambulance and fire services are engaged in and to ensure appropriate accountability.

Consistent with our commitment to maintain tight control over interception, the bill enhances the accountability regime within the act by ensuring that recording of such calls can only occur in strictly defined areas where there is signage. These matters have
been the subject of comment and debate. The bill also requires the creation of a legislative instrument which describes in general terms the nature and location of emergency services facilities where calls will be recorded; nevertheless, that will ensure they can be located in a way that preserves their capacity to work unimpeded. The amendments to the interception act made by this bill will both aid our emergency services operators and radio communications inspectors in their respective roles and support the work of our law enforcement agencies while reinforcing the need for appropriate accountability. I think it is a balanced and appropriate set of measures. I am grateful for the support the bill received in the other place as well as here and from the opposition. I commend the bill to the parliament.

Question agreed to.

Bill read a second time.

Third Reading

Mr RUDDOCK (Berowra—Attorney-General) (11.50 am)—by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

FISHERIES LEGISLATION AMENDMENT (INTERNATIONAL OBLIGATIONS AND OTHER MATTERS) BILL 2005

Debate resumed from 20 June.

Second Reading

Mr DUTTON (Dickson—Minister for Workforce Participation) (11.51 am)—I move:
That this bill be now read a second time.

The Fisheries Legislation Amendment (International Obligations and Other Matters) Bill 2005 reflects the Howard-Anderson government’s ongoing commitment to protect its sovereign interests and to deter illegal, unreported and unregulated —IUU—fishing in Australian and international waters. The amendments to the Fisheries Management Act 1991—FMA—and the Fisheries Administration Act 1991—FAA—will enable Australia to give effect to its obligations under international law and increase its capacity to exchange information about suspected illegal fishers with foreign governments and international intergovernmental organisations, and will provide for improved management of Australia’s fish stocks. The bill also provides for consequential amendments to the FMA and the Migration Act 1958—which are related to and contingent upon the proposed amendments in the Border Protection Legislation Amendment (Deterrence of Illegal Foreign Fishing) Bill 2005.

The principal purpose of this bill is to implement Australia’s obligations under the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean, known as the convention. This convention was ratified by Australia on 22 September 2003. Ratification of the convention was progressed on the basis that Australia would both benefit from, and be able to directly influence, management arrangements in a well-managed western and central Pacific fishery. The ratification of this convention by Australia occurred after considerable consultation with industry groups, non-governmental organisations and state and territory governments. The convention came into force on 19 June 2004.

The convention is between western and central Pacific coastal states and the distant water fishing nations that fish in the western and central Pacific Ocean. It establishes a commission to manage and conserve highly migratory fish stocks such as tuna and billfish in this region. The Pacific Ocean is considered to host the world’s last robust tuna
fishery and the commission will ensure that consistent management measures are adopted across the commission’s area of competence in the Pacific. Without the convention, there would be limited control over the utilisation of these stocks.

The Australian government is able to implement many of its obligations under the convention through its existing management arrangements. Once the commission determines a regional management measure, it will be applied by the Australian Fisheries Management Authority—AFMA—to Australian boats throughout the central and western Pacific Ocean through the normal management arrangements. Some amendments are necessary, however, to create compliance provisions that apply to the convention area and to Australian citizens on foreign boats outside the Australian fishing zone.

New offences in the FMA will target situations where Australia has international obligations to ensure that Australian citizens, Australian boats and certain foreign boats, known as WCPFC boats, are acting in accordance with the convention. The offences relate to the unauthorised fishing of highly migratory fish stocks or other actions related to such fishing where this breaches a regional management measure, as determined by the commission.

Some of the new offences will be linked to a new boarding and inspection regime that will apply to WCPFC boats. The regime is based on the existing provisions in the FMA that implement the United Nations Fish Stocks Agreement—FSA. The new boarding and inspection regime will not enter into force immediately as the commission has not yet settled on the regime that will apply to WCPFC boats. However, the Australian government believes that it is highly likely that the commission will determine a regime that is very similar or, indeed, identical to the FSA model. In order to have these provisions implemented as quickly as possible, the Australian government has drafted provisions based on the FSA to be ready and waiting for proclamation after June 2006, which is the deadline to determine the new regime. If the commission determines a regime that is substantially different to the FSA, then these provisions will not be proclaimed.

In addition to new offence provisions, the convention also obliges Australia to ensure that Australian flagged boats that have seriously violated a regional management measure cease to fish in the convention area until they have complied with any sanctions imposed by Australia or by another coastal state. To fulfil this obligation, AFMA will have the authority to suspend fishing concessions under these circumstances.

As well as implementing regional fisheries management arrangements, this bill also deals with another issue of serious concern to the Australian government—IUU fishing. This bill will allow the Australian government to disclose information, which may contain personal information about suspected illegal fishers, to foreign governments and international intergovernmental organisations.

The information disclosed may include photos, crew lists and observer reports, and will strictly relate to the involvement of the individual in suspected illegal fishing activities or operations. The disclosure of this type of personal information will constitute an exemption of the information privacy principles of the Privacy Act 1988. As such, the use of this power will be subject to appropriate controls such as the restricted use of the information by foreign governments.

The measure is in line with Australia’s obligations under international agreements, such as the FSA and the Food and Agriculture Organisation of the United Nations.
Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas, commonly known as the compliance agreement. It will provide a critical tool that will help bring poachers of Australia’s valuable fish resources to justice and ensure that the government can maintain its strong stance on the issue of IUU fishing.

This bill also extends the existing infringement notice scheme to foreign boats—which is another measure to target IUU fishing. The infringement notice scheme already applies to domestic boats under the FMA and the extension of this scheme will increase the Australian government’s capacity to take action against foreign fishers, especially crew, that have been found illegally fishing in Australian waters.

The increasing incidence of IUU fishing in the Australian fishing zone is of great concern to the Australian community. It impinges on Australia’s sovereign interests in our southern and northern waters, as well as threatening the sustainability of our fish stocks. IUU fishing has the potential to have a significant impact on the long-term viability of the Australian fishing industry and threatens Australia’s unique marine biodiversity and ecosystems through destructive and unsustainable fishing practices and the introduction of pests and diseases. It is for these reasons that the Howard-Anderson government is committed to addressing this problem both domestically and in conjunction with wider international efforts.

This bill also includes a number of miscellaneous amendments to enable AFMA to improve its management of Commonwealth fisheries. Two of these amendments will deliver on outcomes of the 2003 Commonwealth fisheries policy review, but, firstly, this will require all plans of management to explicitly include objectives consistent with those under the FMA, and criteria and time frames for performance review. It will also remove the use of the ballot approach for allocating access rights to fisheries resources. The ballot approach is not considered an appropriate tool to allocate fisheries rights, as it is effectively a lottery for access to the resource.

A further amendment to the FMA will allow holders of Commonwealth fisheries concessions to land their legitimate catch at any Australian port. The FMA allows AFMA to regulate commercial fishing activities in Commonwealth fisheries that are located all around the country. The FMA already includes a provision to stop states and territories from imposing a licence, permit, fee or charge that would have the effect of limiting the right of Commonwealth fishers to land their catch. However, some state laws are still preventing some Commonwealth fisheries concession holders from landing some of their catch, even though the fish have been caught in accordance with Commonwealth management arrangements and permit and/or licence conditions. The amendment will overcome the problem and ensure that the right to land legitimate catch is enforced in legislation.

The FMA will also be amended to correct a minor drafting error in section 103, made when the section was last amended. It is necessary to correct this error by deleting a duplicated provision.

The final amendments in the bill are contingent on the passing of the Border Protection Legislation Amendment (Deterrence of Illegal Foreign Fishing) Bill 2005. These contingent amendments are necessary to ensure that the two bills currently being considered by the parliament will result in consistent changes to the FMA and the MA. These amendments are minor and will ensure
that the proposed fisheries enforcement and detention regime is consistently applied.

In summary, these measures will enhance Australia’s capacity to develop regional fisheries management measures in the western and central Pacific Ocean, support the Howard-Anderson government’s strong stance against illegal unreported and unregulated fishing, and strengthen our domestic fisheries management arrangements. I present the explanatory memorandum to this bill.

Debate (on motion by Mr Gavan O’Connor) adjourned.

LEADER OF THE NATIONALS AND DEPUTY PRIME MINISTER

Mr ANDERSON (Gwydir—Deputy Prime Minister) (12.01 pm)—by leave—

After carefully weighing the interests of my party, my family and my health, I have decided that the time has arrived for me to step down as Leader of The Nationals and to return to the backbench after the winter break. I have advised the Prime Minister and my party that my resignation will take effect from mid-July, and I expect that The Nationals’ party room will hold a leadership ballot before the House rises.

These decisions are not made easily or quickly, as I have discovered. In my case, a combination of circumstances have come together to convince me that this is the right time for me to step down. Firstly, while I have not previously referred to it publicly—I have not been comfortable doing so and I am not particularly comfortable now—I want to, in the interests of transparency, say that I have for some years suffered from a medical condition, a debilitating but, thankfully, benign prostate condition. It is not life-threatening, but the very clear medical advice given to me is that it will not improve as long as I lead the lifestyle that comes with being not only a local member for a very vast rural electorate but also a minister of a demanding and complicated portfolio, a party leader and Deputy Prime Minister. I simply do not want it to become any more troublesome for my sake, let alone for my family’s sake.

Secondly, I am at a point where the core objectives that I really wanted to achieve as minister and as Deputy Prime Minister in land transport and air safety for regional Australia and for water reform are largely in place. Thirdly, my party is at a point where it will enter a new era with the coalition’s impending majority in the Senate. I believe that the party needs a leader who is certain to have the energy to take forward that which is needed to meet the coming challenges and to take the party into the next election. So, on balance, this was the right time for me to make a change.

I step down feeling that I have made as great a contribution as I have been able to to ensuring that Australia has a world-class water policy framework and the basis of a proper national land transport plan. The National Water Initiative and AusLink respectivley are now, I believe, well and truly in the groove and can only advance from here. Both involved critical and protracted negotiation with the states. I am pleased that I have been able to work with my counterpart ministers in the states and territories to achieve these vital policy outcomes. The National Water Initiative, which I believe is so terribly important to our country’s future, would simply never have happened if I had not been able to work constructively with the relevant New South Wales and Victorian ministers, in particular, and I thank them for it.

Similarly, AusLink would not have been possible without our having successfully negotiated as a vital foundational prerequisite for it a 60-year lease over the New South Wales interstate rail track for the ARTC.
Both outcomes were worth all the struggle, the setbacks and the disappointments that bedevilled them and, I believe, they will serve Australians very well in the future.

I do not share the great personal passion for politics that so many parliamentarians admirably possess. Nevertheless, it has been a very great privilege to have had the opportunity to serve some 13 years as a coalition frontbencher. I spent the first year or so of it as the parliamentary secretary to the then shadow spokesman for industrial relations—he is the Prime Minister now. I have spent some 12 years as a party leader—six years as deputy and six years as leader—over nine years as a cabinet minister and a neat six years, almost to the week, as Deputy Prime Minister.

I want to sincerely thank my party for the honour, the trust and the support that they have so generously granted me. I appreciate the opportunity that it has given me to play a role in the centre of Australian public life for such a long period. This has been a reforming government. I draw satisfaction from having played a part in economic reform, especially through the Economic Review Committee in the early years, in tax reform and in industrial relations reform, which I have shared a deep commitment to, along with my colleagues and indeed with farm and agricultural leaders, for so long.

In the end, though, one only pursues these reforms for the benefits they bring to the people that you represent. Australian families, I believe, are significantly better off. This is especially true of low- and middle-income families with children. I believe that we have raised the profile of these vital family units and have strengthened their capacity to raise the Australians of the future. I think, too, that we have reinforced their confidence and built respect and acknowledgment of their importance. I also believe that the strengthening of the Marriage Act was a decisive blow in favour of families and children.

While these reforms have been of great benefit to the regional Australians that I love so dearly, the fact remains that the rapid changes wrought by the advances of technology and other forces have resulted in country Australians often feeling alienated and not fully respected and appreciated for the contribution that they make to our nation. The rise of One Nation I think was testimony to that. I have, particularly as Leader of The Nationals, seen it as an essential part of my role to help regional Australia cope with change as best as possible and, wherever possible, to turn challenge into opportunity. I believe that a high degree of social cohesion is a vital prerequisite for political stability, and political stability is vital if a nation is to live at peace and ease with itself and to progress. One Nation’s demise, I believe, is a testimony to our efforts and work in this regard.

We have worked hard alongside regional communities to help restore, or in some cases provide for the first time, many of the services most Australians take for granted: post offices, banking, telecentres, health services, better local roads through Roads to Recovery, the roll-out of CDMA mobile phone services and affordable broadband through HiBIS. I can think of some of the other reforms. The red meat industry—and Australia is the world’s largest exporter of red meat—used to be regularly shut down by AQIS intransigence. We have no more Mudginberris. Agriculture Advancing Australia set Australian agriculture on a much more self-reliant, forward-looking course with programs such as FarmBis and the Farm Management Deposit Scheme. Drought has cruelly interrupted that course, but we have been there giving all the assistance and doing all the heavy lifting through exceptional cir-
cumstances. Aviation safety concerns used to splatter across the front pages of our newspapers regularly. Now a reformed CASA has global standing. Since September 11—though perhaps overlooked a little in recent weeks—the reality is that we have kept terrorists at bay through major upgrades in both aviation and maritime security.

At all times I have had outstanding and capable support from my chief of staff, Peter Langhorne, and the Canberra and Gunnedah staff who have been with me over the years. I count them as valued friends. I record my deep personal and professional appreciation and admiration of the Prime Minister—a great national leader for our times who understands and respects the Australian people and has given powerful effect to their hopes and aspirations. It has been a very great privilege indeed to have supported him to the best of my ability as deputy. I have very much enjoyed working with my cabinet colleagues, past and present, since 1996. I acknowledge in particular the tremendous contribution made to the nation by Peter Costello, and I note as an interesting historical postscript that Peter Costello, Alexander Downer, Robert Hill and I are now, as I speak, the 22nd longest serving cabinet ministers since Federation. That is about to change. You, Peter, will go into some higher category and I will become a feather duster.

Mark Vaile has done an outstanding job as Deputy Leader of The Nationals and as Minister for Trade. He certainly has my total backing as the next leader and he will bring energy, commitment and insight to the job. Warren Truss has been a tremendous colleague in the often difficult agriculture portfolio. Some of us in the party think he has become impervious to pain. I salute his courage and wish him well. I give my heartfelt thanks to the Nationals senators and members who have supported me during my six years as leader, in particular Ron Boswell, in the gallery, and his team up there and the Nationals whip, John Forrest. They have all been unfailing in their commitment to the party and I thank them for it. Likewise, party members everywhere have been just wonderfully supportive, as has been the party organisation. I thank them all.

In the context of the parliament, can I say that this is a great and important national forum. I salute well-meaning members of it from all sides. I think it is too easily forgotten that the great majority of those who seek public office work hard—often very hard—out of a real commitment to their fellow Australians. We might disagree on how best to take our aspirations forward, but we should always respect good motivation and a real desire to advance our fellow Australians’ interests. On a personal level, can I thank the Leader of the Opposition for the courtesies he has shown me over the many years that we have both been members of this House.

I have served as the member for Gwydir for more than 16 years now and during that time, as I suspect many of you in this place have done, I have developed a very deep bond with the people I represent. I do look forward to being able to spend more time with them as their local member. They have been very tolerant of the frequent absences necessitated by the offices I have held. I sincerely thank them for it.

No-one could hope for a better life partnership than the one I enjoy with Julia. I thank her especially for her love, her warmth, her encouragement and her cheerfulness in all the highs and lows of political life. Our four children, Jessica, Nick, Georgina and Laura, have been wonderfully supportive, although I should say to the House that they have all expressed their absolute delight that we are now likely to have a little more time together. I conclude by finally saying this: I look forward to continuing to
make as constructive a contribution as I can from cockies corner.

Honourable members—Hear, hear!

Mr HOWARD (Bennelong—Prime Minister) (12.13 pm)—by leave—This is a very important moment in the history of the National Party, in the history of the coalition and in the life of the government that I have been privileged to lead since 11 March 1996. It is a very sad day in some respects. I lose as the Deputy Prime Minister, and therefore as a very close cabinet and government colleague, a man for whom I have a profound personal regard and affection. I have said on a number of occasions that I have not met a person with greater integrity in public life, and I am very proud to repeat that comment today. John is a person of steadfast character and principle. He feels deeply about issues that he regards as important to the life of this country. He cares about country people but he also understands that we are, above all, together as Australians, wherever we live. That has shaped and influenced the work that he has done as Deputy Prime Minister and as a member of this parliament since he entered it early in 1989.

He has had many achievements in government and I think undoubtedly, from a long-range point of view, the work he did in bringing about agreement on the National Water Initiative was by far the greatest and most enduring. To be able to bring together different political viewpoints on that issue was a great achievement. He has presided over major improvements in basic services for the bush, for country Australians, and in so doing has addressed a sense of alienation and concern that so many country people have felt. His achievements in relation to AusLink—which gives to this country for the first time a national overarching, multimodal, if I can put it that way, transport system—reflects very great credit on him.

He has also played, along with four others of my colleagues, a major role as a member of the National Security Committee of cabinet. Because of the circumstances flowing from the attack in the United States on 11 September 2001, the involvement of this country in the coalition operation in Iraq, the involvement in East Timor and all the other demands that have been made on our defence and security forces, the National Security Committee of cabinet—which comprises the senior members of the government—has been a very active and all-important body over the last five years, and John has been by my side on all occasions. He was Acting Prime Minister of this country and led the first response in the wake of the attacks on 11 September. We did not know at that time whether they were isolated to the United States or whether they might be part of a global pattern, and John organised the response here on my behalf as Acting Prime Minister.

John has led, along with Tim Fischer, the National Party during a challenging time for that party, and for all parties of goodwill in rural Australia. He mentioned the One Nation phenomenon. It will long be debated, and people will criticise the response of many, including me, but this is not the time to debate that. Let me simply record the fact that the courage of John Anderson and Tim Fischer beat off that threat, and the threat to them was very real. I have never forgotten the conversation I had with Warren Truss on the eve of the 1998 election. Whilst fully embracing the preference strategy decided upon by the coalition, which put One Nation last, he explained to me the size of the One Nation vote in his electorate of Wide Bay, and I had been forcibly reminded of that when I visited Wondi in the wake of the 1998 Queensland election that put 11 One Nation members in the Queensland parliament. The courage and tenacity that both of them dis-
played, finally consummated by Ron Boswell’s magnificent victory in the Senate in 2001, reflects very great credit on the National Party and also, of course, on others who fought that extreme expression of understandable frustration by many people who felt shut out of the emerging wealth flowing from the globalisation of the economy of this country.

We on this side of the House are members of a coalition government and unity of that coalition is crucial to our success. It is something that I have tried to understand and implement. It is something that, to his very great credit, Malcolm Fraser understood and implemented when he was Prime Minister, and certainly the founder of my party, Bob Menzies, understood and implemented. When you are in a coalition each element in the coalition must respect two things: the need for the overall unity of the coalition but also the fact that we are two separate parties, and proper understanding should be afforded to that. In a coalition, being the leader of the smaller party is harder than being the leader of the larger party. By force of numbers and dint of circumstances that is inevitable, and I pay respect very warmly to John for the tremendous job that he did over the six years that he was Deputy Prime Minister, because ours has been a very united, cohesive government. In no small measure that has been due to the tremendous contribution that both Tim Fischer and John Anderson have made and I hope, also, to an understanding on the part of all members of the government that, whatever difficulties we may have with individual decisions, having the capacity to make them in government is infinitely superior to dreaming about what we might do from opposition.

John came into this parliament in 1989 following Ralph Hunt as the member for Gwydir. I have had the privilege of knowing both of them in the time that I have been in the parliament. I remember John’s maiden speech—he struck me as a person with a deep feeling for the men and women of rural Australia, a deep compassion for the fundamental values of our society and a determination to do service for his people. I have never found John to be an excessively partisan person. He has always had a capacity to pay tribute and courtesy to the other side of politics, something that I respect in anybody irrespective of what their political beliefs may be. He is a person who has fought very hard to protect the role of the family unit in Australian society. I am very proud of the fact that one of the things that my government has been able to do is to strengthen the financial security of low- and middle-income families. John has been a passionate supporter and advocate of those policies all the time he has been a member of the government.

His greatest source of strength in public life—as indeed has been mine and I am sure has been the case of the overwhelming majority of members in this parliament on all sides—has been a wonderful family and the love and support of Julia. I am reminded of those wonderful words of Christopher Wren who said, ‘If you want my memorial, look around me.’ If you want John Anderson’s memorial, look at his wonderful family who are with him today. The example that he has set is one that resonates not only in the circles in which he immediately moves but I believe in public life generally. John, thank you from the bottom of my heart for your loyalty and your decency, your commitment to your party and to the coalition but above all thank you for your commitment to Australia. It has been magnificent. I will miss you. I understand. I wish you and Julia and your family profound good fortune in the years ahead.

Mr BEAZLEY (Brand—Leader of the Opposition) (12.23 pm)—by leave—I want
to make a few remarks on this occasion of transition and sadness. I must say I am deeply sorry to see the honourable gentleman resign his position. I am delighted he intends to remain in the parliament. This, I think, is an entirely appropriate thing for former leaders to do, and I wish him well should he take the decision to remain as a backbencher for some considerable time and lend his substantial experience and good heartedness to the deliberations of his political party over the years.

The Deputy Prime Minister, because he is still that, would not mind me saying that we on this side of the House do not necessarily think that the work he believes to be complete on water resources, aviation security, aviation safety and the land transport system is as finished as he suspects it is or he would wish us to consider that it is. But this is not an occasion for partisan comment beyond the fact that it is necessary to lay down one or two markers so not too much is conceded in these remarks. I will lay those markers down. Nevertheless, this is an important point, somewhat a terminating point, in what is a very substantial Australian political career.

Very few people have risen to be leaders of significant political parties in this parliament in our 100-plus years of history. Nobody rises to that position without considerable ability, considerable diplomatic skills, considerable courage and considerable patriotism. The Deputy Prime Minister is no exception on any of those fronts. He has graced the leadership of his political party in some joyous times for them but also difficult times. The demography of regional Australia is changing; people who live in the bush do it very hard. The 19th century saw the focus of Australian development in regional Australia, the source of Australian wealth located in regional Australia in primary industries, and a sense of confidence built as Australia moved out into the bush. In the last 100 years that has been in a state of almost unending retreat and the movement of populations has been to the coast and to the cities and not into rural districts. For those who represent the regional areas of Australia, and not all of them are National but large numbers of them are, this poses enormous challenges to members of parliaments and places an enormous weight on their hearts.

I know the circumstances in which many of his constituents have found themselves have weighed very heavily on the Deputy Prime Minister and it has been a very substantial burden for him to bear. He has had to bear it in a background in which, because of the changes in demography and economy in regional Australia, other forces have risen to contend the dominance of the National Party both among Independents and in the case of One Nation. I have to say that I do think that the Labor Party assisted you into the position on One Nation preferences, having arrived there very early. It was to some chagrin I think for the odd Labor Party campaigner to find themselves, because we often do run third in parts of the bush, effectively campaigning for the National Party. But I will leave that to one side. It was the experience of a number of our folk, but it was all in a very good cause in those circumstances.

I think that the Deputy Prime Minister has made a name for himself in this parliament as a man of great heart—a good-hearted family man. I am sure that Julia and the kids are actually overjoyed at your decision. I really am truly sorry that part of it—I know you insist on no sympathy in this regard, and you have said it is benign—is based on health. It is really a sad thing when somebody of considerable ability feels that they have reached a point when their contribution has to at least be amended because of their experience with the state of their health. I am sorry to hear that, though your family is unquestionably the gainer from your decision.
We have an opportunity in this parliament to live history, to witness history as it is made and to make history. Those of us who are here at the passing of the National Party leadership are not so much living history—those who pass the baton around are the ones doing that—but witnessing it. It is a very important moment. As I said, it does not happen terribly often. I take it from the remarks that you have made that your successors have been selected—

Mr Anderson interjecting—

Mr BEAZLEY—They have not been selected. You seemed to be anointing them in the remarks that you have made, so there will be another occasion then I suspect in this place to discuss your successors, although you obviously have some anticipation as to whom they might be. I will say nothing further than that, except that they have big shoes to fill. We on this side of the House will contest against you vigorously if you choose to run, but we honour the service that you have given and respect your standing in this parliament and your leadership of your party.

Mr COSTELLO (Higgins—Treasurer) (12.29 pm)—by leave—I want to join my own sentiments with those of the Prime Minister and the Leader of the Opposition to pay tribute to not just a colleague but a friend and somebody whom I genuinely admire, who is standing down from the leadership of his party and from the high office of Deputy Prime Minister.

John Anderson and I have had a very close association in this House. He was elected in a by-election shortly before I was elected—about a year before, I think. He was elected as Deputy Leader of the National Party about a year before I was elected as the Deputy Leader of the Liberal Party. We have served in the cabinet since 1996. We served together on the Expenditure Review Committee, from which he was, thankfully, promoted out of membership—thankfully for him. We have served on the National Security Committee together as Deputy Prime Minister and Treasurer. And we have enjoyed, I believe, a friendship which has meant a lot—to me in any event, and I hope to you.

John has had the difficult task of leading a party which represents predominantly rural Australia at a time when regional population was in decline. The base was running against him all of the time that he was the leader of the party. Not only that: the National Party is a party which had its deep roots in agriculture at a time when its proportion of the economy was declining—not because agriculture was declining but because other areas of the economy were growing.

I know the burden it was on John to have the demographics and the economics moving against him almost continuously throughout the period of his leadership of the National Party. It made every issue almost an issue of identity and survival. I know how deeply it affected his soul and how he agonised over decisions that we were making in the cabinet and in the budgetary process. I often wondered whether it was taking a toll on his health, because he agonised so deeply about those particular issues. And maybe it did.

As a consequence of that, I think we can say that he did truly give to his country not just his talents, his intellect, his commitment and his loyalty but also his health in many important respects. We admire you, and we pay tribute to you, John, and to your family, which would have suffered very greatly as a consequence of that.

We are saying farewell to John Anderson as a minister today, not as a member. I trust that there will be time later on at some juncture to say something about him as a member, but I would like to say something about him as a man. John is somebody who is ani-
mated by a very deep and vibrant faith. It means a lot to him. He has seen his role in this House very much in a tradition—a tradition of British evangelical leaders who campaigned against moral ills like slavery and child labour. If you ever have the occasion to have a dinner with John, he will recount to you at great length some of their achievements, with years and dates. It has obviously animated him in his career very much and very deeply. It arises out of a deep faith that he has in God and a deep faith which animates him and his family.

John is also somebody who has a very high level of interest in literature. I do not want to give him the mozz in the National Party, but he has a master’s degree in literature, and he has read very widely, particularly in cultural and philosophical areas, which he has married with his deep and abiding faith in God. In that he has been an example to all of us. There are issues that are bigger than the day, bigger than the legislation, bigger than the election and the parliament. These are the timeless issues—the great issues of the age, of identity, meaning, service and purpose. John Anderson has been a great example to all of us and to the nation in that respect.

John is blessed with a wonderful family—Julia, Jessica, Nick, Georgina and Laura. They are a wonderful testament to you. The Prime Minister quoted Christopher Wren: ‘If you want my memorial, look around you.’ I think it was Yeats who said, in one of his poems, ‘my glory is I had such friends’. The friendships that we make here and the way in which they nourish and inspire us—it is a glory. It is a very deep privilege to have served with such people and to pay tribute to them on an occasion like this as I want to pay tribute to you, a colleague and a friend, John Anderson.

Mr VAILE (Lyne—Minister for Trade) (12.36 pm)—by leave—I will take a short moment to join with the Prime Minister, the Leader of the Opposition and the Treasurer and pass some comments on what is quite a historic day for our party, for our government and for the nation. We all get elected into this place with the aspiration of leaving our constituency and the nation in a better shape than when we found it. Certainly I have no doubts that that was the aspiration of John Anderson when he was first elected the member for Gwydir in 1989.

The intervening period has been extremely significant in the history of this country in terms of the processes of change and the challenges it has faced. In the varying roles he has played within our party John has made an enormous contribution in that regard from the outset. In the very early days of his executive office in this place—albeit when we were in opposition—he began that learning experience and that contribution as the parliamentary secretary to the then shadow minister for industrial relations, the now Prime Minister. It is interesting to note that John started his executive career in this place—albeit when we were in opposition—he began that learning experience and that contribution as the parliamentary secretary to the then shadow minister for industrial relations, the now Prime Minister. He finishes his career in this place in a similar position, albeit on this side of the House and in a much higher office.

It is important to note and reflect on the achievements that individuals make. People come into this place wanting to make a contribution to the broader community. Some regard the cut and thrust in the chamber as the more important aspect of the job and that is what gives them a buzz, if you like. John Anderson, as leader of our party, has focused much more on helping the people in the broader community, particularly in rural and regional Australia, who have been looking for leadership and guidance through some difficult years. Also, that focus has gone to delivering on some critical policy issues. If
we reflect on the legacy of John Anderson in his public life as leader of our party it is really that—it is legacy of some significant policy achievements. Of course we recognise that the opposition is duty bound to say that there is more to be done in some areas, but nonetheless there are things that had not been done in the past that have been done under his stewardship.

When he and I assumed the leadership positions of our party in 1999, following the resignation of Tim Fischer, I do not know that either of us recognised the great challenge we were taking on, both in the internal structures of the party and in the broader regional community in Australia. Certainly John has discharged his responsibilities in that regard very admirably. As the Prime Minister said, he has the absolute respect of everybody who lives in regional Australia as a man of great character, integrity and honesty in the way he has dealt with every issue that has confronted him. His absolute love of rural and regional Australia and of the bush and the farming community, and how deeply he has felt the pain that has been suffered across many sectors of our rural community, will also be an everlasting legacy of his leadership.

When we assumed the leadership of the party six years ago, John as the leader and the Deputy Prime Minister and me as the deputy leader, there were many things that we needed to do that we have taken on together. We have shared an enormous amount. We have learnt an enormous amount. I have learnt an enormous amount from John and his ability to think deeply about issues and his deep understanding of the people of Australia. I have also learnt about the importance of putting the energy and the effort into developing sound policies for the long-term benefit of the nation. Of course, that started when we were first elected to office and John became the Minister for Primary Industries and Energy and soon developed and put in place the AAA package—Agriculture Advancing Australia—to elevate and get the broader population to recognise the significance that agriculture plays in our economy, and structurally and socially in regional Australia. He did that single-handedly and carried it through.

Moving on to later portfolio responsibilities as Deputy Prime Minister and the Minister for Transport and Regional Services, there was the National Water Initiative—the national water agreement. The often almost impossible task of getting states to agree to a national position on any public policy issue in this country is a major achievement. John has made a major contribution in the area of natural resources management in Australia by getting a commitment from the states and getting that agreement in place across Australia.

Fundamental to our party and our core constituency in rural and regional Australia is transport. It is core business; the heart does not beat in regional Australia without good transport linkages. The implementation of the AusLink program that John worked on and devised lays out a framework for the future of developing, strengthening and expanding our transport linkages not just in rural and regional Australia but across Australia and certainly in our major ports and export hubs, where the exports go out of rural and regional Australia.

It would be remiss of me in these comments not to mention a significant policy achievement of our government, driven at the time by the Deputy Prime Minister, and that is the Roads to Recovery program—lauded right across this nation, country and city, for giving us the ability to directly invest significant amounts of money into much needed infrastructure development in country and city but particularly in country Aus-
tralia. That program will continue to stand as testament to the Deputy Prime Minister’s commitment to ensuring that there is a balance in the fruits and benefits of economic development in Australia between country and city. That program continues to deliver in rural and regional Australia.

I know my colleagues in the National Party join with me in congratulating John on his contribution and the cohesive work he has done for our party, for the government and certainly for the nation. I know they will have an opportunity at a later time to make a contribution to this discussion. There are a wide-ranging number of legacies that will live forever as a result of John Anderson’s deputy prime ministership and leadership of the National Party over the last six years.

In conclusion and most importantly, as we all carry the burden in our personal lives of the impact on our families of our commitment to and involvement in national life and in this place, I pay tribute to the dedication and commitment of Julia and John’s family to his role in our party and in this parliament in being able to make a contribution. As we all know in this place, often it would not happen without the enormous support that is given to us by our spouses and families. Julia, you have done that magnificently in our party, and on behalf of Australia we thank you for that. John, we wish you all the very best in your future and of course we keep you in our thoughts and prayers as far as your personal illness is concerned and we will continue to do so. We look forward to working with you very much into the future.

Ms MACKLIN (Jagajaga) (12.46 pm)—by leave—I would like to thank the Deputy Prime Minister personally. I think he has shown extraordinary generosity to many people, but some people may not know that there is some understated camaraderie that goes on between deputies and I would just like to say to him that I am very grateful for the personal way in which he has always been very frank and warm with me. He has also often been prepared to give me fairly honest and constructive advice. When I first became the Deputy Leader of the Labor Party he was, of course, his ever-polite self and he congratulated me. But quietly he gave me some direct and constructive advice about what to expect.

Mr Anderson—None of it worth while!

Ms MACKLIN—It was worth while, actually. He did tell me—and I think that he knows and I know—that being the deputy can be a tough job. He said that being No. 2 often means that you have to be the bearer of bad news that other people are not quite prepared to give to the Prime Minister or the Leader of the Opposition and so it becomes the task of the deputy to deliver those difficult messages. That is certainly true, and I must say that I have appreciated the way in which you gave me that very generous heads-up at the time. I do think that you have really shown the way in which you are prepared to extend that understated camaraderie not only to me but also to many other people in the parliament and you are much respected for that. Many people have spoken about the way in which you have shaped policy. One of the interesting things about you, which you commented on but not many others have, is that you have done that in an unusual way, a quieter way, not using the usual noise and aggression or hype that so often go with the job. Many people respect you for that.

There is no doubt that the time you have been the Deputy Prime Minister has taken its toll on you, and, like Kim, I am very sorry to hear about your health. One of the terrific things that I know you and your family will enjoy is just being able to spend time together. I remember seeing you on Australian
Story recently on the program about the racehorse breeder Peter Andrews—and you will no doubt know a lot more about racehorse breeding than I ever will. You were talking about a radical approach to restoring streams and rivers. You went on to have a discussion with the Australian people about what you wanted to do when one day you had the time. You talked about not just wanting to learn about possible improvements to our water ecology as an academic pursuit—and I take the point that that is not necessarily something that you would want to advertise—but wanting to apply that knowledge yourself and to see that it benefited other people, and doing that in a more personal way than you have been able to do in the parliament. You said that you wanted to do that one day when you found the time, and I think it is a lovely thing for you that that time has come.

So we do wish you and Julia and the children all the very best. I think that it is very stark to stand here now and see that a couple of the children are still pretty little. For them it is very special indeed. Have plenty of time dreaming and doing the things you love.

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (12.50 pm)—by leave—It has been a really great privilege to serve with John Anderson. He has been a very able leader, a very good friend and, frankly, a good guy. He is always pleasant company to be with and has certainly adorned many functions in my own electorate and around Australia and has been warmly received by the people he meets. John is not only a very pleasant person to be with but someone who has great depth. He takes a detailed understanding and interest into policy development and not only seeks to understand the philosophy behind a policy direction but looks for practical ways for it to be delivered. He has certainly carried into this role a broad vision, a dignity, an integrity, a strength and a depth that I think has made him a very worthy contributor to policy development in this country.

John came into parliament about a year before I did in a by-election, as Peter Costello has already mentioned. It was a very tough time for the National Party. Very shortly afterwards we lost our leader and were decimated in an election. John had had a very tough early life but he was always destined for leadership. It was always considered that he was a leader in waiting—and that happened. And since he has been in that office he has demonstrated a vision, looking ahead and trying to position the party in a way in which it could make a meaningful contribution towards the development of our country and ensuring that rural and regional Australia had a very effective voice when decisions were made.

As others have said, he has a particular passion for regional areas because, of course, he is a country person—he loves the country, like many of us on this side—and I know he would certainly see in his future a lot more time being spent on his own farm and dealing with people in country areas. He cared very deeply about a whole range of issues. He cared very deeply about his country, particularly rural people. He wanted Australia to be a better place. He was a champion of causes in regional areas, especially the need to deliver effective services to people who live in country areas. Whilst others have mentioned many of his achievements, I would like to add rural communications to that list because there has been no-one more vocal in demanding that services be effectively delivered in country areas than John. I have to admit that there may have been something of a vested interest in that regard, because his own property had very poor phone connections—a long party line that obviously was a relic of another century—so he knew first-
hand how tough it was to be able to commu-
nicate with the rest of the world.

John, as leader of the smaller party in the
coalition, has often had the difficult task of
having to manage the tensions that develop
between coalition partners when there is a
desire by the minor partner to take policy
forward but it simply does not have the
numbers in a joint party meeting to deliver
that. His relationship with the Prime Minister
has been legendary and has also helped to
underpin the success of this government. I
know the National Party very much appreci-
ates the role that the Prime Minister has
played in helping to ensure that some of the
reasonable objectives of the National Party
have been able to be achieved. His personal
goodwill and his relationship with John
Anderson have helped make this government
so successful.

I want to join with others in saying that I
think John’s great legacy for Australia has
been water reform. He championed it when it
was not popular. There were all sorts of peo-
ple who said it could not be done, and even
should not be done, but now it enjoys bipar-
tisan support and is therefore secure. It will
be an important part of the policy framework
which will underpin so much of the devel-
opment of rural and regional Australia in the
years ahead. But also John’s work in land
transport and so many other areas is of great
importance.

I will briefly mention his work as agricul-
ture minister. He came into Agriculture, his
first portfolio, in very difficult circum-
stances. It was a tough time in his personal
life and he had to face very difficult times in
agriculture. He was a member of those early
ERCs. Even today most ministers dread hav-
ing to go into an ERC, but in those days,
when there was a desire to actually slash bil-
lions of dollars from the budget to try to
bring it into balance, it must have been a par-
ticularly difficult situation for those in-
olved. John has been a wonderful champion
of rural Australia. He has contributed very
significantly to policy development and to
the growth and strength of our country. I ad-
mire greatly his achievement and wish him
every success and the best possible health in
his retirement. Given the fact that he has had
to endure an ailment for most of the time that
he has been in government, his service has
been all the more meritorious.

John and Julia and their family are truly
wonderful people. They have made a won-
derful contribution to the National Party and
they will continue to do that. They will al-
ways be very special friends. But the most
important thing that John can take away from
his time as Deputy Prime Minister is that
Australia is a better country for the contribu-
tion that he has made.

Mr McGauran (Gippsland—Minister
for Citizenship and Multicultural Affairs)
(12.56 pm)—by leave—I wish to join with
colleagues in paying tribute to John Ander-
son as he has foreshadowed stepping down
as Deputy Prime Minister and party leader of
The Nationals. All members of parliament
carry a heavy burden and heavy responsibili-
ties but the greatest load of all does fall to a
party leader, especially a party leader in gov-
ernment. Just consider all the organisations,
individuals and interests that a party leader
must guide and nurture and care for. In the
case of a federal leader, there is the parlia-
mentary party, there is the federal admini-
stration, there is the federal directorate or
secretariat, there are the state administra-
tions, there are the state leaders, there are the
grassroots branches and there is the general
public—the wider community who deter-
mine your fate in this parliament. So a party
leader is forever juggling the interests—often
competing—of one strand or another of that
vast array of responsibilities he or she sur-
veys at any given moment. Politics will al-
ways attract people of not only conviction but also passion, opinion and, often, great confidence. Consequently—to be direct about this—politics is made up of people of strong character who are more likely to be forthcoming than retiring in expressing their views. So you need to bring necessary qualities to the position of party leader, not least of all diplomacy, understanding and patience and, at times, tolerance and forbearance.

John Anderson encapsulates a great many of the human qualities necessary to be a successful manager of men and women while still staying true to the oath of office and the responsibilities of government. History will record that John Anderson has had a long and successful career as a senior minister and party leader. In purely political terms, let it not be forgotten that John Anderson was the deputy National Party leader during the 1996 and 1998 elections and therefore played a key role in supporting Tim Fischer at the time and then in the 2001 and 2004 elections played the pivotal role and led the National Party to great successes. Also, during his time as agriculture minister, John Anderson—despite his sympathy for the current minister for agriculture’s situation—actually faced the perfect storm. I remind the House of the drought that was devastating at the time, the collapse in commodity prices, the problem of pork imports, the downturn in the sugar industry because of corrupted world trading and several other issues. By the way, some of them sound pretty familiar and they are being addressed all over again—in a different way, to be sure. But out of all of that fog of despair in the rural communities at the time came Advancing Australian Agriculture, the AAA package of programs that was multi-pronged to attack the problems in the short as well as the long term. It was a major achievement and a great credit to his time as minister for agriculture.

As the Minister for Transport and Regional Services, his achievements are long and have been of great benefit to the rural constituency. As a minister, serving with John and under him, I am grateful for the support he always gave me. He was exceptionally loyal to and supportive of ministers at all times—good and bad. In my various portfolios, I can point to a number of areas where he made a difference, including in cabinet debates and implementation of policy. In the arts portfolio, it was the swing towards regional arts. In the science portfolio, with his natural curiosity and interest in engineering and issues scientific, he was a major contributor to the Prime Minister’s science and engineering council. He always had an open door policy to the Chief Scientist and to scientific organisations, which is a great policy for a minister in advancing the interests of the constituency he or she is charged with representing.

Gippsland is one of the National Party’s marginal seats and the Deputy Prime Minister was assiduous in his support of it. Gippsland has many reasons to be grateful due to his interventions over a period of time. The Maffra irrigation district will benefit to the tune of $20 million under the National Water Initiative. The Omeo Highway, a state highway, received $6½ million to minimise the possibilities of road accidents and the like. Gippsland was declared one of the first Sustainable Regions areas about four years ago, receiving a $12 million fund for particular projects. Across the board, there have been a large number of regional development projects in Gippsland. But above all else, the key to John Anderson’s regional development achievements is that he devolved the decision making to the grassroots. It was not committees or bureaucrats or ministers making decisions in Canberra, and that will not be reversed by any future government. You had local committees making recommenda-
tions and the due diligence would be applied from Canberra. That empowered local communities to take charge and to have confidence in their futures.

On the personal front, John has always been distinguished by the loyal and supportive staff he has been able to attract because of his own qualities—people who would devote themselves to his service. It is a standout feature of John Anderson as a minister and as a party leader. In the same way, his department has always spoken well of him. He has treated his personal staff, whether they were in the electorate office or the ministerial office, and his department’s staff with great courtesy and dignity at all times. I do not know if I have ever heard John Anderson swear. I might have heard him say ‘damn it’ once—or was it ‘blast it’? In any event, John is always the gentleman. He is a man of strong feelings and great resolve once he makes up his mind. As a minister who has worked with him, both behind closed doors as well as in public, I know his strength of character is never to be underestimated despite his, at times, gentlemanly presentation. John, thank you for everything you have done for me, for my colleagues, for the party, for the parliament and for the people of Australia. Your legacy will be long lasting.

Mr MARTIN FERGUSON (Batman)—by leave—Thank you for the opportunity to address the House on this occasion; in many ways it is a privilege. Having been elected in March 1996, I have now seen the passing of two leaders of the National Party and two deputy prime ministers. In 1999 I saw the passing of Tim Fischer, with whom I had a strange relationship. Perhaps I should make a confession on this occasion. My mother grew up on a soldier settlement farm in the Riverina next door to a family called the Heffernans, who also have relatives on the other side of the House. For that reason we had a good relationship with Tim Fischer. History also shows that my mother’s father was an office-bearer of the Dirnaseer-Junee Reefs branch of the Country Party on one occasion, but with the coming of one of Australia’s greatest prime ministers, Ben Chifley, he saw the light on the hill.

My friends, since 1999 I have had the responsibility of shadowing John Anderson in the opposition’s shadow ministry for the greatest period of his services as Leader of the National Party and Deputy Prime Minister of Australia. It is fair to say that while we might have had some political differences on policy over those years, there has never been any doubt in my mind that John Anderson is a good person. He is someone who not only loves his family but, more importantly, loves Australia and has wanted to work in the best interests of all Australians.

I believe John Anderson is exceptionally lucky today. He has chosen to leave parliament on his own terms. Unfortunately, not all politicians have had that opportunity in days gone by. I understand the cut and thrust of politics has never come easily to John. I have sometimes left question time having watched him, at different points, sink lower and lower into the green leather and I have said to my staff: ‘I don’t understand why John stays. He obviously is not enjoying it.’ There are a variety of reasons, which have been revealed today, as to why there were extra pressures on John during that period.

It is fair to say that during my time as the shadow minister for the portfolios John has held we had some major policy debates. We were both seeking to achieve proper outcomes, but perhaps from different perspectives as to where we thought some of those debates should have gone. I believe AusLink is a major achievement. Australia needed a national land transport plan. I do not think the work is complete, and I do not think that in John’s heart he accepts that it is complete.
There is still a huge amount to be done, including a closer and a proper working relationship between the Commonwealth and state and territory governments. It is a similar issue with aviation safety and, perhaps more importantly, the more complex areas of aviation and maritime security post September 11. They were not easy; they required very careful management because of the constituencies that we were respectively representing during that very difficult period.

I simply want to say that throughout that period it was a privilege to work with John and his staff, some of whom are represented in the House today. John has always conducted himself in a very courteous way with respect to his engagement with me, as have his staff with my staff. I appreciate the opportunity of engaging in those policy debates, because they were real policy debates. I believe, as the result of those debates, Australia is better off today. In conclusion, congratulations on a job well done. I might come from a different side of the House but I acknowledge you have worked to the best of your ability to advance not only the interests of your local electorate, your party and your government but also Australia as a nation. I wish you and your family all the very best for the future. I thank you for the opportunity of engaging with you in key policy debates.

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans’ Affairs) (1.08 pm)—by leave—Today is a very hard day for the National Party. We are losing, as leader, one of the most decent men who have ever belonged to this House. John Anderson is a man of absolute integrity. When John came to the leadership it may not have been evident but the party was divided. There was a lot of disunity and unhappiness in our party. John did not have an easy task. He is, however, a man of such character that he has unified our party. He has also brought substance to the National Party. John is someone of great intellectual depth. He would go around rural and regional Australia and listen to problems, and then come back here and, in a definite and logical way, develop a policy to address those problems.

It has not been an easy time to be the Leader of the National Party, as others have said. We have had the worst drought in 100 years. Our infrastructure has in many cases been run down, particularly in water. Record low prices have occurred in some industries, such as sugar. It has been an easy time for others to take, perhaps, a cheap view of rural and regional politics. The National Party has had the threat of Independents and other minor parties. John has worked through all of that. He has developed the National Water Initiative and the Australian Water Fund. John, coming as I do from an electorate where it has been some 30 years since the last water infrastructure was developed, I personally want to thank you for that. It has been a tremendous investment in the future prosperity of our young people. AusLink, the largest roll-out of land and rail integrated transport system in Australia, is something that John has seen as necessary to build that future—links for trade taking road traffic onto rail, rather than clogging our highways. John has looked forward 20 to 25 years.

John is very much a conviction politician, if I can put it that way. I can remember many debates we have had within the party about ethical and moral issues. It is typical that today John would mention the strengthening of the Marriage Act. John also spent virtually a half-day listening to the views of Liberal and National Party backbenchers on the stem cell debate. John is someone who makes up his own mind. I know he prays and thinks deeply about the challenges that face his country and his party. He votes and acts according to his conscience. That does not always make for easy politics, but it does explain the great respect and regard in which
he is held across the country. John Anderson united the party and encouraged many of us. We would often get a phone call on a Saturday or a Sunday from John just out of the blue to say, ‘How are you going?’—not easy when you are busy and you have a big electorate, a family and a large portfolio to care for. But John would often just ring us and have a kindly chat.

John, you also gave me an opportunity that I never thought I would have—to be a minister in the Howard-Anderson government. In the many years that there has been a National Party in this great House I am the first woman from the National Party to have a ministry. I thank you for that, John. You have put a great deal of faith in me, and I think only you would have done that.

I would like to talk about John’s other characteristics. John has a great gift. He sees the needs of rural and regional Australians and comes in here and argues in a very logical and strong way for those causes. But John also believes absolutely in the coalition and in being the Deputy Prime Minister to our Prime Minister, John Howard. He sees that as a very responsible task. He has worked very hard, in difficult circumstances, to ensure that the government came first—unity in government above all. It is not always an easy thing to balance. But John has always been a very good deputy. He has reminded all of us on occasions that while you are there to argue and put the case for your own people you also need to be part of a constructive and unified government.

I can well understand why John looks forward to more time with his family. Julia and his children are great Australians. They are really good, decent people, as you would expect the Andersons to be. I am pleased to see his children here today looking forward to more time with their father, and Julia to more time with her life partner.

I will always count it a great privilege that I was able to serve in the National Party when John Anderson was the Deputy Prime Minister and the leader of our great party. To you, John, I wish you well. I know that you will always make a contribution, no matter where you go in life. I look forward to working with you as the member for Gwydir. It is going to seem odd to be doing that. But I know that you have a strong commitment to your own electorate. I wish John well, and I hope that he will seek—as I am sure he will—to serve in other spheres in Australian life. John, thank you personally from me and also from the people of Dawson. And God bless you in the rest of your life.

Mr GAVAN O’CONNOR (Corio) (1.15 pm)—by leave—I join with the Prime Minister and the Leader of the Opposition—

Mr Anderson—I just have to go, I am sorry. I have committed myself to the media.

Mr GAVAN O’CONNOR—There is no problem.

Mr Anderson—I will be back as soon as I can.

Mr GAVAN O’CONNOR—I understand and appreciate that. I would like to join with the sentiments that have been expressed on both sides of the House about the contribution of the honourable member for Gwydir to his party, Australian agriculture and the parliament. Now that he has left the chamber, I can say that he was a great lover. He was not here to hear it but he brought four great loves to this parliament: the love of his family, the love of the land, the love of his political party and the love of Australia. Through that love, he has made a great contribution to Australian politics down through the years as the member for Gwydir and in various ministerial positions of leadership in the coalition.

I do not share the sentiments expressed by the honourable member for Gippsland that he has never sworn. He is a country boy and
I am sure that there have been occasions when he has let one slip somewhere in the system. I say to the honourable member for Gwydir and his family, following the admission in the debate today about health reasons partly contributing to his decision to retire: plenty of males have beaten this disease. I am sure that, when you leave those positions of responsibility and the stress that is entailed in them, you will beat this disease as well.

The contribution that the honourable member for Gwydir has made to Australian agriculture has been a substantial one. On this side of the House, we acknowledge his love of the land and his commitment to farmers and people who live in regional areas. We know that has motivated his policy contribution to Australian politics and it is one that stands him in good stead. The esteem in which he is held on this side of the House—indeed, by all members of the House—ought to be acknowledged.

We country boys, and people raised on farms, understand the deep commitment that the Deputy Prime Minister has had to the farming community of Australia. Believe it or not, there are many people who live in rural and regional Australia who vote for the Labor Party, work the land, are farmers and support our side of politics. I am sure that they will join me in wishing the honourable member for Gwydir well. We are very pleased that he has chosen to stay in the parliament at this stage and we look forward to his enduring contribution to the life of the House.

Mr ABBOTT (Warringah—Minister for Health and Ageing) (1.18 pm)—by leave—Almost the only time that MPs speak well of a colleague is on their retirement, particularly if they are retiring in their political prime. I would like to say to John Anderson, who has briefly left the chamber to attend a media conference, that the numerous tributes that are being paid to him today are heartfelt and deserved and I hope that they sustain him in the days, weeks, months and years ahead.

Good character does not go unrecognised, even in politics. The Deputy Prime Minister is a man who has long wrestled intelligently with the sadness of the human condition and has successfully come to terms with it. I can say, as someone who has worked closely with the Deputy Prime Minister in the parliament and the cabinet, that he is a man whose transparent decency has often inspired us, and sometimes shamed us, into better reflecting our best selves.

Sometimes, the member for Gwydir and Deputy Prime Minister has seemed misplaced amongst the egos and aggression of politics. I have to say, though, that the comparison has nearly always been to his definite advantage. Like the member for Gippsland, I have almost never heard an unkind word from the member for Gwydir. Yes, he has had his frustrations. Yes, he has had his disappointments, but he has never been bitter and has always attributed the best to those who he has been in dispute with. Often, the circumstances of parliament do not allow its members to be seen to their best advantage. However, I have often seen the Deputy Prime Minister away from this place and he can move an audience. He does not win every argument but he almost never loses a friend.

Recently, I had the privilege of sharing the companionship of the road with the Deputy Prime Minister. We cycled together up the Liverpool Range on the New England Highway past Murrundi. Though he is the minister for transport in this federal government, he no longer knows that as a mere object of policy. He now knows that as an object of bitter human struggle, but he succeeded. He
reached his light on the hill on that road out of Murrundi.

I join some of my colleagues in quoting some poetry. Rudyard Kipling, I think, well understood the kind of character that the Deputy Prime Minister has:

If you can fill the unforgiving minute
With sixty seconds’ worth of distance run ...

I think we can say of the Deputy Prime Minister that, over six years in high office, 16 years in parliament and many other years serving the community, he has fought the good fight, he has run the race, he has kept the faith. He might be leaving the leadership of the government, but he certainly is not leaving the life of our country. There is a kind of brotherhood here. We will miss him and, while he will no longer be with us in the cabinet, long may his shining example continue to fortify the rest of us to attend to the things that really matter in our national life.

Mr LLOYD (Robertson—Minister for Local Government, Territories and Roads) (1.22 pm)—by leave—it has been a great honour and a great privilege for me to serve with John Anderson as the junior minister in the portfolio of the Department of Transport and Regional Services. We have had a close association not only in that role but also in my previous role as Chief Government Whip. Obviously the unity of our two parties is very important. The Chief Government Whip plays a very close role with the National Party. I guess that is when I first developed a strong relationship with John Anderson, as Chief Government Whip. Another time when I really developed a friendship and a relationship with John Anderson and his family was when we travelled to Gallipoli—I think it was in 2000—when he was the Deputy Prime Minister and I was a mere backbencher. He travelled with Julia and two of his children, Jessica and Nicholas. He gave a speech at Lone Pine. I do not think there was a dry eye in the crowd of 10,000. It was one of the best speeches John Anderson has ever made.

He will leave his role as Deputy Prime Minister having made a huge difference to Australia. Obviously it has been a great privilege for me to help him implement the roads section of AusLink. I will continue to do that whilst ever I have the role as Minister for Local Government, Territories and Roads. Obviously he cares passionately about the National Water Initiative. He is one of the most honourable, honest and decent men that I have ever met in public life. Today is a sad day. A measure of that man is the sadness in his office today. Many staff in his office are in tears. In the high pressure of that office, to have that level of respect and dedication amongst your staff is just another sign of a truly great man.

As someone who has parted company with his prostate, I have great sympathy for the difficulties he is having. But I do want to emphasise that he did say that his problem is benign. I am sure that with a little bit of rest and treatment he will have a very long and happy life with Julia and his family. I wish him every success in the future. I know he will now be a very strong advocate as the member for Gwydir. I am sure that the electorate welcomes him having more time in his electorate. I wish him and his family all the best for the future.

Mr QUICK (Franklin) (1.25 pm)—by leave—I just briefly want to put on the public record my admiration for a great bloke. I grew up in the Mallee in Victoria—around Rainbow, Jeparit, Nhill and Kaniva—as a young boy, and also up in Port Augusta, when my dad was a Presbyterian minister wandering around Victoria and South Australia. There is a part of me, I guess, that is almost a National Party member, because as a child I grew up going to high schools and
primary schools where I could see the hassles with providing adequate education and experience the tyranny of distance. I ended up in Tasmania representing the southern-most electorate in Australia, with its large component of Country Party area. So I understand where John is coming from and his love of the bush, as we call it. I would like to place on record my tribute to a man who has worked tirelessly, not only in his time in this place but also in almost every avenue, to sustain, protect, encourage and advance the people who live outside our big cities.

On another angle, I saw John at his finest the other day when he delivered an address to lots of dads. He has played a pivotal role in the bush and also in the urban areas advocating the role of men in our society. Also, John’s faith and witness here is something that is now out in the open. John’s support for and involvement in the Parliamentary Christian Fellowship every second Wednesday when we have our breakfast has been tremendous. We hold the national prayer breakfast every year in the Great Hall. He has delivered some outstanding addresses. He is a wonderful bloke.

As Jim Lloyd said, there is sadness in this place today. There is happiness that we can actually personalise and humanise people. We can call them by their first name rather than by their seat. It is great because too infrequently in this place do we have the opportunity to speak from the heart. It was great to see Peter Costello in his deliberations today close to tears. That is great because the more humanity we show in this place, the more faith we show, the better we are as people. So it is farewell to a really great bloke. I consider him a friend, even though we are on the other side of the fence. Every chance I get to shake his hand at parliamentary breakfasts, national prayer breakfasts or wandering around the place, he is never too busy to talk to a humble back-bencher on the other side of the fence. I wish him and his family all the best. Long may he witness his faith and his belief in God. To those on the other side who are feeling some pain today, John will be around giving guidance and succour to many of us for many years to come. Thank you for the opportunity.

Mr DUTTON (Dickson—Minister for Workforce Participation) (1.28 pm)—by leave—It seems that today is a day of confessions, so it is time for mine. I want to associate myself with the remarks made from both sides of the chamber today paying tribute to a wonderful member of this place and a person who has provided a great dedication to his electorate and to our nation. When many of us go to local primary schools to speak to young students about our role as a member in this place, regularly of course they ask: ‘Why would you go into politics? Why have you gone into the job that you have gone into?’ I must confess to the House today that part of my reason for entering into politics was my admiration from afar of people like John Anderson who—I do not mind saying as part of this debate—is a tremendous role model and one of the most significant leaders of our time. When I look back on my career—I hope in many years to come—I think that I will consider myself fortunate to have made his acquaintance and to have witnessed his style and his substance. One of the reasons we believe so strongly that John Anderson is a unique person is because of his greatest attribute: his love and devotion towards Julia, Jessica, Nicholas, Georgina, Laura and his extended family. I am very privileged and very proud today to be able to say thank you to the Deputy Prime Minister for his service to our government and to our people.

Mr RUDD (Griffith) (1.31 pm)—by leave—I grew up in the country and my father was in the Country Party. There was
only one paper at home, the _Queensland Country Life_—the bush bible. So I know a little bit about country folk having grown up in such a community. I therefore know something of the culture from which John Anderson hails. Of course, I have chosen a different political path to him. The Leader of the Opposition in this debate has reflected on the policy differences between our two political traditions. I would simply like to pay tribute to John Anderson the man.

Firstly, I think we all feel in this place that John Anderson is a man who loves his family deeply and whose family deeply love him. This is no small thing, given the rigours of this place. It is no small thing, given the rigours of this place over a parliamentary career which must extend now over 15 years. It is a tribute to him that his family, in the period that I have known him, has been central to his preoccupations. Whenever I have seen Julia and the kids kick around this place, they always remind me of the von Trapp family singers—this tribe of kids. It is always a delight to see the kids kicking around this place, always happy and always part of a loving family unit. We know in this place that John and Julia Anderson have suffered some family tragedy. He has borne that with enormous dignity.

The second thing I will touch on is John Anderson's faith. This was mentioned before by the member for Higgins. It is something which we are usually reluctant to talk about in this place and there are good reasons to be reluctant, given our strong tradition of separation between church and state. But if you know John Anderson, plainly his understanding of his faith drives many of his beliefs and actions in his political life. I understand well the authority he sees in the likes of Wilberforce and Shaftesbury in the great social reforms which they engineered in very difficult times in 19th century industrial Britain. It is a tradition from which he obviously continues to draw. This then is a man who soon departs a high office in this country, that of Deputy Prime Minister—no small feat in any person's career. I simply use this opportunity, on behalf of my family, to extend to him and his family all the best and to place on the parliamentary record my observations about John Anderson the man.

Mr JOHN COBB (Parkes—Parliamentary Secretary to the Minister for Transport and Regional Services) (1.35 pm)—by leave—There was one thing said this morning which I did not really agree with. It was said by John Anderson himself—that he was not a totally committed politician. Perhaps it depends somewhat on your interpretation of what that means. To me it means—and certainly in John Anderson's case it is correct—that he came here because he had a desire to set things right or to fix them. After all, that is what politics should be about. Perhaps the Deputy Prime Minister meant that he did not necessarily believe in politics for its own sake. Certainly he came here as somebody with an absolutely total commitment to making things work and fixing them. Although he came here in 1989, I think he stood for the seat of Paterson prior to that. When he took over the seat of Gwydir from Ralph Hunt, who I know very well, Ralph said to me: 'My successor, John Anderson, is somebody who will do things for the National Party. He will certainly do things for the parliament.' If you listened here today, it did not matter what side of the benches people were talking from, John Anderson has done something for this parliament. He has set a standard for decency that I suggest will never be bettered while ever we all remain in this parliament or this parliament stands, as indeed it should for many years.

As a cabinet minister—which John Anderson has been for all the time he has been in government—he did two things early
on as the Minister for Primary Industries and Energy and then as Minister for Transport and Regional Services: he held a rural economic summit and, later, a regional summit. Those two summits did enormous things for country and regional Australia. The first one brought out things like the Regional Solutions program and Networking the Nation. It identified the problems. The Prime Minister referred earlier to the fact that things were damned tough in the bush when this government came to power. In relation to the two summits I have referred to, John Anderson identified the issues through the summit delegates. I was a delegate to both those summits when I was in agripolitics, and they clearly identified our problems. What has happened since then has clearly shown that John Anderson listened and, because of that, the government listened to what he said.

The National Rural Finance Summit and the Regional Australia Summit delivered things like Regional Partnerships, which I now have the honour of looking after on his behalf. It did those things which helped regional people feel better about themselves and actually helped them in an enormous way to help themselves. John Anderson is totally committed to having an Australia that is dependent not on welfare but on itself—on its own resources and doing things. That is exemplified in everything that he led this government to do as a result of not just coming into power, but finding out what country Australians really needed.

The resources that have come into play in regional Australia in the last nine years—especially, I would have to say, in the last six years—certainly have been due in no small measure to what he has done. Whether it has been in water, infrastructure or whatever, John Anderson has led us to it. I believe he has led this party in an exemplary fashion. He has been, certainly to someone like myself who knew him in a previous life, a man totally of his word. I remember during the debate over native title, when those of us in western New South Wales got very frustrated about what was happening, that John Anderson obtained from the Prime Minister a commitment that the government would pay for any court cases to do with it. After that legislation became law, John Anderson held the government to that commitment. As a result, those in western New South Wales were able to take themselves away from it. Nobody really knows what native title is to this day, but they were able to get themselves out from under what many saw as a threat.

Most of what needs to be said has been said. John and Julia and their family have, thankfully, a lot to look forward to and a lot to remember. Anybody who has served with him, whether in this party or elsewhere, will never forget it. The thing that I have to go back to is that John Anderson set a standard for decency and for being straight that will never be matched in this parliament.

Mr CAUSLEY (Page) (1.40 pm)—by leave—I have been in the chair in the Main Committee so I hope I do not repeat too much that has already been said, but I did want to contribute to these members’ statements on the proposed resignation of John Anderson, the Deputy Prime Minister and leader of The Nationals. I was in the state parliament of New South Wales when John Anderson first entered the federal parliament when Ralph Hunt, the then member for Gwydir, resigned. I knew him over that period of time and worked with him quite extensively, especially when he took over from Bruce Lloyd, who was then the member for Murray and the deputy leader of the National Party here in Canberra. I was at that time the Minister for Agriculture and Fisheries and Minister for Mines in New South Wales. I worked very closely with him. He was in opposition at the time and, of course, we had the good fortune of being in government. I
got to know John very well. I think at that particular time one of the issues was the huge problem with the wool stockpile, which these days, of course, has disappeared. That was quite a problem at that time. I had several meetings with him trying to resolve issues as to how we could best deal with that wool stockpile.

It would not be surprising to know that, when John took over here in Canberra, I would have some interest in the area of water resources, especially the National Water Initiative, because for five years I had been the minister for water resources in New South Wales, had quite a bit of knowledge of that industry and had had discussions from time to time with him. In fact, I once went out to his electorate to a meeting we had in Moree to discuss those issues with what might be brought forward as a national water initiative. I would like to pay tribute to him for that, because many people have tried and many people have failed, I suppose, to get water rights and property rights for water. It is a vexed issue and always will be a vexed issue, because for Australia, being the driest inhabited continent on earth, there will obviously always be issues with water. Having been a minister in New South Wales, I know how difficult states can be with the federal government from time to time, and I know that John Anderson put a lot of effort into that. I pay tribute to him and to those ministers from the states, who obviously saw the bigger picture and what was needed to get some management into water resources in Australia.

People would have mentioned, of course, the crisis in rural areas when we first came to government. In the financial sector banks were walking away from small communities, we certainly had drought pressures at that time and small communities were feeling under pressure. It was really at that summit in Orange that John Anderson got the rural people together to discuss how they thought they should address these issues and how they could best overcome the problems that they were beset with. If you look back at some of the policies that were put in place—and I dare say people have mentioned this—we had Regional Solutions to start with, where the community would work with the government to try and better their community. Subsequently we had Rural Partnerships. Then, of course, there is Sustainable Regions, an initiative that I think has a lot of merit, to help areas within rural Australia that have problems with unemployment and low socioeconomic development. Sustainable Regions tries to encourage development, industry and employment in those areas. Then we have the Black Spots program and Roads to Recovery. Roads to Recovery is a marvellous program which really comes back to the old CAR program—Commonwealth Aid for Roads. Roads are certainly an issue that is very important to rural Australia.

The Deputy Prime Minister has often said that all of our exports, whether they are mining or whether they are agriculture, start on a country road. And there is absolutely no doubt about that. I often see some editorials from the Financial Review, and I would like to invite those responsible out to the back of New South Wales or Queensland or even to Western Australia to see just where the wealth of Australia comes from and how it gets to the ports. I think there is no doubt that that program will be long lauded as a very good program, and I am sure we will remember the Deputy Prime Minister in his portfolio for that.

Recently AusLink has even added to the commitment that the Commonwealth has had to roads like the Pacific Highway. And I might mention the Summerland Way in my electorate, where $20 million has been spent on a link into Queensland. They were the
Roads of National Importance and subsequently AusLink, which I think is a great program with a lot of foresight. We all know the history of the problems we have had with rail—how across Australia the colonies somehow managed to get rails with different gauges, which certainly inhibited the ability of the states to trade with one another, let alone get freight to the ports. I think AusLink is no doubt taking a very strong look at that. There is no doubt that we have tried for years to get freight back onto rail. With the studies that show that freight is going to increase dramatically over the next few years—double, in fact—and that the transports on the roads might even treble, there is no doubt that effort must be put into trying to get some of that freight onto rail. I have great faith in that, because what I see is that the big transport companies that own the semitrailers are showing interest in putting freight onto rail. I think the Deputy Prime Minister can take great credit for that as well.

Much has been said about the character of John Anderson. I do not think that anyone has any doubts about him. He is a man of great integrity. As he said himself, he is not a natural politician. That is to his credit in many ways. He was always up-front and forthright. Sometimes he was a little shaken by the fact that people did criticise him. I know that, because of his integrity, he knew that he had not done anything wrong, and I think everyone else, including all of us here, knew that as well. John has always been that man of character. He has never been frightened to say that he had Christian values. I was brought up with Christian values, and I do not think we should ever shirk that. John was never frightened to say that, and I respect him greatly for that.

He also shows great family values. I know that part of the decision today is that, as he said to me on a few occasions, he was really concerned about the fact that his family was growing up and that, as a father, he was away for a lot of the time especially in his children’s formative years. I know that a lot of the weight on his decision today was about his family, and I really respect him for that. I think that shows his true character and his true love for Julia and the family. I take great pleasure today to relay my congratulations to John Anderson on a great political career and for all the effort he has put in to better the conditions of rural Australians.

Mrs HULL (Riverina) (1.48 pm)—by leave—It is often said, ‘You don’t know what you’ve got till it’s gone,’ and I believe that in this case we will only know what this honourable man, John Anderson, has achieved after he has gone. It appears that, with every portfolio that he has had, he has taken the pain, put in place the gains and then moved on—somebody else has always been able to take advantage of the very good work that this man has been able to achieve and has never got the credit for. I know that the results that John has fought for have not been easily gained, and I believe that will be evident when he is no longer at his place at the cabinet table.

John and I have had a frustration-admiration type relationship. The frustration was because he would never accept and promote his significant personal and party wins because of his belief in humility and modesty. This left him open to undeserved criticism and to the lack of recognition that he greatly deserved. The admiration was because I believe John Anderson—and I have said it time and time again—would not have a skeleton in his mind, let alone in his closet. His grace and forgiveness was shown to all of those who in this House—and outside this House, at times—set out to try to destroy his character. I used to feel personal aggression and bitterness towards those who would call John Anderson, the Leader of the Nationals, and intimate that he was telling anything
other than the truth or who would question
his Christianity and his faith. It is my belief
that, if John Anderson speaks, you can say
and you can believe that it is the truth.

I remember a discussion that I once had
with the Prime Minister when I was being
particularly difficult, as I can be on some
issues. I was articulating to the Prime Minis-
ter that I was feeling anguish and pain that I
was putting the Leader of the Nationals,
somebody I admired so greatly, into such a
difficult position because of my actions. I
remember saying to the Prime Minister at
that time that I considered John Anderson to
be the most decent person that one could
ever hope to meet. So we have had many
significant debates and many I have lost, but
I place on record in this House that John
Anderson is the most decent man to have
represented the Australian parliament. Many
times I have considered him too decent to be
a politician, which must have been a particu-
larly difficult burden for him but a signifi-
cant benefit for my Nationals colleagues. I
would like to put into Hansard today a poem
by Edgar Guest entitled Sermons We See. It
is something I attribute so much to John
Anderson that I wrote it out and sent it down
to him in question time one day. It says:
I'd rather see a sermon than hear one any day;
I'd rather one should walk with me than merely
tell the way.
The eye's a better pupil and more willing than the
ear,
Fine counsel is confusing, but example's always
clear;
And the best of all the preachers are the men who
live their creeds,
For to see good put in action is what everybody
needs.
I soon can learn to do it if you'll let me see it
done;
I can watch your hands in action, but your tongue
too fast may run.

And the lecture you deliver may be very wise and
true,
But I'd rather get my lessons by observing what
you do;
For I might misunderstand you and the high ad-
vice you give,
But there's no misunderstanding how you act and
how you live.

On behalf of the class of '98—including Stu-
art St Clair, the former member for New
England and Tony Lawlor, the former mem-
ber for Parkes—we are proud and privileged
to have had your friendship in our time. I am
proud and privileged to have had you as our
mentor and our leader. I place on record my
despair at times for my actions having
caused you much grief and much disap-
pointment.

Mr HARTSUHKER (Cowper) (1.53
pm)—by leave—In life we often meet peo-
ple who have a lasting impression on us.
They may be parents, teachers or work col-
leagues. In my first full-time job I worked
with a real estate agency in Newcastle
known as Creer and Berkeley. There were
three major figures in that firm: the partners,
Rob Henning and Doug Clegg; and a senior
salesman, Bill Moroney. Although commer-
cial, the ethos of that firm was not one of
maximisation of sales, not one of trying to
maximise the income for that firm; the cor-
nerstone of that firm was honesty, integrity
and to always do what was right for the cli-
ents of that firm. Those are the values that I
think John Anderson has always championed
in this place: honesty, integrity and to always
do what is right.

John Anderson is a leader of our party
who will always be known for his depth of
knowledge on the subject, his concern and
passion for regional and rural Australia; his
commitment to family values and his Chris-
tian values; his concern for the role of par-
ents and his championing of the importance
of the male role model. I note the words of Harry Quick earlier in this place complimenting John on his very fine speech recently to the Fatherhood Foundation.

He certainly had a great impression on me, as a relatively new member of the House, in the way he conducts himself and in the way he always champions the interests of good policy over political expediency. For instance, in the Telstra debate his absolute belief is that the primary requirement is not political expediency; our No. 1 focus is on ensuring excellent telecommunications outcomes for the people of rural and regional Australia—policy over expediency in every case.

There are some parliamentarians who garner support by arriving at a location and telling people what they want to hear, and who then go away and deliver nothing. John Anderson always speaks the truth, works hard, acts with integrity and delivers very real outcomes for the people of Australia, particularly the people of rural and regional Australia.

I know that the parliament is going to be the poorer for John leaving this place at the expiration of this term and that his family are going to benefit greatly from him being able to devote more time to them. As we all know in this place, the sacrifice of families is one of the great pains that we see as members when we depart on a Sunday night. It is often not a particularly happy occurrence, but it is one that we must endure and one that our families must endure.

I would like to thank John for his contribution to Australia. I would also like to thank Julia, for being such a support over his time in this place, along with Jessica, Nicholas, Georgina and Laura. I know that many members on both sides of the House have recounted how the sacrifice of families is one of the most difficult issues that they have had to deal with—not the policy concerns but the impact on families; it is a very personal issue. Thank you, John, for your contribution. I have felt it a great honour to be able to serve as a member of the National Party under your leadership. You have been an excellent champion for the people of rural and regional Australia. I know that all in this House wish you well in whatever future endeavours you embark upon. I know that you will be highly successful in those fields.

Mr MELHAM (Banks) (1.57 pm)—by leave—I think it is appropriate that I say at the outset that this reminds me of a saying: ‘Nothing so became him as the manner of his departure.’ A true champion knows when to leave; he is not tapped on the shoulder. The Deputy Prime Minister is leaving at a time of his choosing, which is in the best interests of himself, his family, his party—and, frankly, he has made the decision in the best interests of the nation. One must congratulate him, because he could have stayed in that position longer and he has chosen not to.

I was elected to this place in the March 1990 election—so, of the 150 members of this place, there are only 16 who have been here longer than me. The Deputy Prime Minister was one of those who was elected shortly before me. I had the opportunity to observe him from the back bench as a backbencher. I remember back then that I had an eye—as most members would know, I still have—for what was going on in the House. I remember this backbencher, over in cockies corner, sitting next to the then father of the House, Ian Sinclair. I wanted to invoke his name today because I know how fond Ian was of the Deputy Prime Minister. I was watching the affection that they had for one another. I said to myself, ‘This bloke is sitting next to the smartest bloke in the place; he will go places in the future.’ I think Ian Sinclair needs to be remembered. On his behalf I want to say, because he is no longer in
this House, how fond he was of his deputy, in effect, of his apprentice. I am sure that Ian taught the Deputy Prime Minister to count. One of the things in politics is that nice guys rarely get to the top, because this is not a nice business. This Deputy Prime Minister is a nice bloke who can count. I wish him and his family well for the future. I think he is a reflection of all that is good in this place.

Mr FORREST (Mallee) (1.59 pm)—by leave—In the remaining few moments I would like to be associated with the comments that have been made by my colleagues. I believe that John Anderson has established an extremely high bar on how to behave in public office. I am delighted that members from both sides, people in the gallery and the public know this. I think that will be John Anderson’s greatest legacy. Many members have spoken about his achievements in his many portfolios. I would love to wax lyrical about all of those, particularly the division of Mallee being the recipient of the determination that John Anderson showed to secure the National Water Initiative. It is an important reminder that to John Anderson goes the credit.

The SPEAKER—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour.

QUESTIONS WITHOUT NOTICE

Industrial Relations

Mr BEAZLEY (2.00 pm)—My question is to the Prime Minister. Is the Prime Minister aware of the fact that Western Australian Liberal Party senator, David Johnston, indicated he may vote against the government’s proposed industrial relations changes, saying that WA Liberals are deeply concerned at the proposed changes and that there is a lot of disquiet in the west? Isn’t this view also shared by Western Australian state Liberal leader Matt Birney, Queensland state National Party leader Laurence Springborg and—

Mr Hardgrave—Who?

Mr BEAZLEY—I will respond to that so that the interjection about those two gets into Hansard. The view is also shared by Queensland Senator elect Barnaby Joyce. If Senator Johnston, Mr Birney, Mr Springborg and Senator elect Joyce believe there are risks in the Prime Minister’s extreme industrial relations changes, why shouldn’t Australian families? Prime Minister, how can Australians trust the government’s industrial relations scheme if your own members do not?

Mr HOWARD—The reasons for the government’s proposed changes were initially outlined by me when I made a statement to the House and they will be the subject of further argument over the weeks and months ahead. Let me simply say to the honourable gentleman that these reforms are in the national interest and they will be proceeded with.

Iraq

Mr RANDALL (2.01 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the importance of training Iraqi security forces? Are there any alternative points of view?

Mr DOWNER—I thank the honourable member for Canning for his question. Let me say just how much I appreciate the excellent job he has done recently as an observer of the Lebanon elections. He has been a very able representative of Australia and of this parliament. I made the point a couple of days ago, in answer to another question, that we on this side of the House stand up for freedom and democracy. That is a very important principle for us. Let me make this point: what we are doing in Iraq is helping the Iraqi people consolidate the opportunity they now have to build a democratic Iraq. A democ-
ratic Iraq will be part of the solution to an expanding democratic process in the Middle East. In order to achieve this, the Iraqis will eventually have to take control of their own security forces. There is no question about that and there is no argument about that. To do that, they have to be trained. Two Australian army training teams have trained the 4th and 8th Brigades of the Iraqi 3rd Division. A third team is currently providing logistics training. The Royal Australian Navy, the Al Muthanna Task Group and the Australian Federal Police are also involved in training. Captain Randy Green said the other day: The whole point of this is when those guys get trained up, we can all go home.

Who is Randy Green? He is a captain in the Louisiana 256th ‘Tiger’ Brigade who was ‘transition training’—as they call it—the Iraqis who freed Douglas Wood. Douglas Wood said:

... I am proof positive that the current policy of training the Iraqi Army ... worked because it was the Iraqis that got me out.

The international community broadly recognises this and is prepared to support it. Is there an alternative? The opposition in this country has tried to walk away, in recent months, from the issue of Iraq. There was, I admit, an agreed cessation of hostilities through the Douglas Wood period but other than that the opposition has been embarrassed by one key development in Iraq—and that was the election on 30 January. Since the election on 30 January in Iraq, the opposition’s position—which, you might recall, had been that we should not have taken action to get rid of Saddam Hussein—has been that we should not be training the Iraqi forces and that we should not be contributing to helping the Iraqis seize control of their own security environment. That is a muddle-headed and a wrong policy. It was all summed up this week by the member for Griffith—the expert on everything—who said, in response to Douglas Wood’s point about the importance of training the Iraqi army:

I don’t think Douglas Wood would set himself up as an on-the-ground national security policy expert ...

Douglas Wood does not know as much about security issues in Iraq as the member for Griffith! That says it all. It simply proves that the opposition has no credibility at all on these issues.

Foreign Debt

Mr SWAN (2.06 pm)—My question is to the Prime Minister. Is the Prime Minister aware of statements from Standard and Poor’s, in its most recent credit ratings report, that cast doubt on the government’s view that because most foreign debt is in the private sector it poses no risk to the economy? The report says:

... the risk remains that if foreign investor sentiment sours, the economic adjustments forced on the country could harm Government finances.

Prime Minister, don’t these comments from Standard and Poor’s expose the government’s complacency towards the risk posed by our snowballing foreign debt?

Mr HOWARD—No, they do not, because some of the factors that were present some time ago when I spoke critically of levels of foreign debt are not now present. Firstly, when I spoke critically of foreign debt when Labor was in office the budget was in deep deficit; it is now in strong surplus. When I spoke critically the contribution being made by the government to the indebtedness of this country was immense; now it is negligible.

The reality is that the net foreign debt servicing ratio—which is measured as net interest payments on debt as a proportion of exports—is currently at 9.7 per cent. Over the period from March 1983 to March 1996—those on the other side will be very familiar with this period—the debt servicing ratio averaged 13.9 per cent. Since March 1996
the debt servicing ratio has averaged 9.7 per cent, and that, in anybody’s language, represents a very sharp reduction. The Australian economy is now in a state which is vastly different from when this government came to office over nine years ago. The debt servicing ratio is lower, our capacity to handle external shocks is greater, our regard around the world is impressive and the economic fundamentals of this economy are rightly seen as amongst the strongest around the world. I finish my answer simply by quoting the statistic that the net general government debt in Australia is just 1.9 per cent of GDP, the OECD average is 46 per cent, for the United States it is 44 per cent, and the level for the Euro area is 53 per cent. I rest my case.

Economy

Mr HENRY (2.09 pm)—My question is addressed to the Treasurer. Would the Treasurer update the House on Australia’s current economic conditions, the outlook for the economy and the key risks?

Mr COSTELLO—I thank the honourable member for Hasluck for his question. The 2004-05 financial year is drawing to a close—it will end in a few days time—so we can look back over the last year and see where the economy has come from. At the end of this financial year, on 30 June 2005, more Australians will be in work than ever before in Australian history. There were 330,000 new jobs created over the last year, and two-thirds of them, or 227,000 jobs, were full time. There are more people participating in the work force than ever before, with the participation rate rising to a record high of 64.6 per cent. The unemployment rate remains at lows we have not seen for 29 years. Over the last year, inflation has averaged 2.4 per cent, which is within the government’s two to three per cent band. When we close out the financial year, it will be the seventh budget surplus that this government has produced. When we close out the financial year, we will have reduced $80 billion of Labor Party debt, and we are forecasting to go even further next year.

I can report to the House that businesses have invested heavily in the productive capacity of the economy, with investment rising 11.1 per cent over the last year and profits rising 8.3 per cent over the last year. Profitability, particularly in the resource sector, has driven the Australian share market to record highs which are not seen in any of the other share markets around the world. As we look forward to the next year, 2005-06, as I reported in the budget, we expect some re-balancing of growth out of domestic sources and into external sources. This will be good as part of the continuing growth of the Australian economy, one of the growth economies of the world. In addition to that, the government’s reform program will underpin productivity improvements over the course of the next year. There is no more important reform than industrial relations reform. When this House reforms industrial relations, that will be the most important micro-economic reform that we have seen in this country for a very long time.

Child-Care Rebate

Ms PLIBERSEK (2.12 pm)—My question is to the Prime Minister. Can the Prime Minister confirm that parents who work or study for fewer than 15 hours a week will not be eligible for the government’s proposed 30 per cent rebate on out-of-pocket child-care expenses? Does the Prime Minister believe it is fair that single- and low-income parents with part-time jobs of up to 15 hours each week cannot claim back 1c from the tax rebate even when their child-care costs are the same as or higher than a family with one parent who works more than 15 hours a week?
The SPEAKER—I remind the member for Sydney that that is fairly close to asking for an opinion, but the Prime Minister may choose to answer.

Mr HOWARD—I cannot give the member for Sydney an exact answer without getting some advice. I will get it and I will provide it.

Income Tax

Mr ROBB (2.12 pm)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the changes which will be brought about by the new tax schedules operating from 1 July 2005? Have there been any impediments to these schedules coming into effect?

Mr COSTELLO—I thank the honourable member for Goldstein for his question, and I can inform the House that the income tax cuts which were announced in this year’s budget will be implemented, as promised, on 1 July and will cut tax for every Australian income taxpayer. This is the last day of sitting for both the House of Representatives and the Senate. No motion of disallowance of the income tax schedules has been moved, so the Labor Party’s campaign to defeat income tax cuts has been defeated. It is regrettable, however, that the Labor Party has yet to announce its position on those schedules. The Labor Party still maintains determinedly that it is determined not to determine a position in respect of those income tax schedules. This old Senate will pass out without the Labor Party ever having actually announced a position.

There has been a lot of finger-pointing going on in the Labor Party as to whose brilliant idea it was to decide to oppose the tax cuts. Most people were saying that it was the Leader of the Opposition; although, as I keep pointing out, it was a decision endorsed by ‘Rooster Central’, led by the member for Lilley. I say to members of the House that there is good news: the Leader of the Opposition did a press conference today and confirmed that the member for Lilley will not be moved in a reshuffle. I think he has the support of this side of the House absolutely for that decision. The member for Lilley was quoted in the Australian today, and when he was asked why the tactics on tax cuts were so bad he said, ‘We didn’t bugger up the tax argument.’ That is a revelation to members on this side of the House. If the Labor Party was not against tax cuts, why did it not support them? Why did it not pass them? Why did it not announce that it would allow the schedules? Let me say again: the reality is that the Labor Party to this day believes that nobody should get a tax cut on 1 July.

Ms Plibersek interjecting—

The SPEAKER—Order! Member for Sydney.

Mr COSTELLO—The Labor Party believes that the tax cuts on 1 July should be absolutely nothing for every single Australian.

Ms Plibersek interjecting—

The SPEAKER—Order! The member for Sydney is warned.

Mr COSTELLO—That is what they announced. That is what they moved. That is what they support. That is what they are in favour of. There is one side of this House that stands for lower income taxes and that is the coalition. It always has because we believe in getting government off the backs of people and giving them incentive to work.

Ms Plibersek interjecting—

The SPEAKER—Order! The member for Sydney has been warned.

Prime Minister’s Residence

Mr GIBBONS (2.16 pm)—My question you will be surprised to note, Mr Speaker, is to the Treasurer. Is the Treasurer aware that a group of Melbourne businessmen, including
Mr Lindsay Fox, want to establish a Melbourne home for the next Prime Minister? Is the Treasurer also aware that Mr Fox is now the new owner of Melbourne’s Luna Park? Does the Treasurer consider a clown with his mouth open a suitable front entrance for his Melbourne home, should he ever become Prime Minister?

Mr Abbott—Mr Speaker, I raise a point of order. We can all have a chuckle over many things, but that question is clearly outside the standing orders.

Ms Gillard—Mr Speaker, the proposal for a prime ministerial residence in Melbourne requires an ongoing appropriation to meet running costs. It is therefore within the budget—

The SPEAKER—Order! The Manager of Opposition Business will resume her seat. That is not relevant. The question is out of order.

Opposition members interjecting—

Mr Costello—Mr Speaker—

The SPEAKER—Treasurer, I have ruled that question out of order.

Mr Costello—On indulgence, can I inform the House that I would have thought it more appropriate to have a clown with his mouth closed, and I would recommend the member for Bendigo as a model.

The SPEAKER—The Treasurer will resume his seat.

Terrorism

Mr SOMLYAY (2.18 pm)—My question is addressed to the Attorney-General. Would the Attorney-General inform the House of the high priority the government continues to place on protecting Australians from the threat of terrorism?

Mr RUDDOCK—I thank the honourable member for Fairfax for his question as it relates to protecting Australians from the threat of terrorism. The government’s commitment to do everything it can to protect Australians from the threat of terrorism is a matter of record. Our response to the shocking attacks in the United States on 11 September 2001 was swift, decisive and comprehensive. We have spent in the order of $4 billion boosting the capacity of security and law enforcement agencies. We have enhanced our coordination arrangements and we have tested arrangements frequently in counter-terrorism exercises. We have put in place a stronger national security legislative framework and a number of those measures have been further enhanced in legislation that has passed this House in the last few days.

I can confirm today that ASIO has conducted a series of enter and search operations in Melbourne, in collaboration with Victorian police and the Australian Federal Police. Consistent with longstanding practice, details of those operations are not normally made public and I do not intend to infringe in relation to that. But I can say that the entry to premises was effected by state police and the Australian Federal Police, and that entry to the premises and the maintenance of the security cordon were conducted in accordance with standard operating procedures. I am confident that ASIO and the police have made every effort to ensure that those issues were dealt with in a proper manner and that consideration was given to the occupants concerned.

Generally, I have found over a period of time that, while ASIO’s activities are not the subject of publicity—other than a number of articles that occur from time to time, which are occasionally critical—from the briefings I receive and from the warrants that I play a part in issuing I have always found ASIO to be a most professional organisation that undertakes its activities in accordance with the law. It uses its powers judiciously and only under warrant, and law enforcement agencies...
that assist it do so to ensure that its functions—that is, the security agency’s functions—can be properly exercised and not unreasonably hampered.

Recent evidence before the Parliamentary Joint Committee on ASIO, ASIS and DSD, which deals with security issues and which is reviewing ASIO’s questioning and detention powers, has highlighted the continued importance and relevance of those powers in the fight against terrorism in which we are engaged. I would like to place on record my support and that of the whole government, and I believe the support of the people and I am sure on behalf of the opposition as well, for our security and law enforcement agencies. We appreciate the vigilance with which they are undertaking their activities and the professional way in which they conduct their very important work.

Credit Card Security

Mr FITZGIBBON (2.21 pm)—My question is to the Treasurer. I refer him to his decision to return to the House last night to correct his answer to the question I asked him yesterday in question time. I ask the Treasurer why he did not make use of the opportunity last evening to inform the House of when the government became aware of the massive credit card security breach. Once again, I ask the Treasurer to tell the House when the government first knew of this breach.

Mr COSTELLO—I did yesterday; I invite the House to look at the Hansard. I said that I became aware of it when it was reported in the newspaper and that Senator Ellison became aware of it when it was reported in the newspaper.

Mr Fitzgibbon—What about the Treasury or any other government department?

Mr COSTELLO—we are the ministers of the government. I could walk up and down the front bench and ask every single minister when they became aware. I believe the answer would be the same: when they read it in the newspaper. As it happens, I have also asked the Treasury when it became aware. The Treasury became aware when it read it in the newspaper. I believe that the member for Hunter owes an apology to the Treasury because he put out a press release yesterday suggesting that there had been a cover-up by the Treasury. The Treasury has now provided written advice: it was made aware when it read it in the newspaper. If you had any decency, you would apologise to the Treasury.

Mr Fitzgibbon—Mr Speaker, I seek leave to invite the Treasurer to confirm that no government department knew—

The SPEAKER—The member for Hunter will resume his seat!

Mr TICEHURST (2.24 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on yesterday’s developments at the meeting of the International Whaling Commission?

Mr DOWNER—I thank the honourable member for his question and for his interest in the proceedings of the International Whaling Commission. Yesterday the commission held its third day of meetings in Korea. Anti-whaling nations, which have been led by Australia—and, by the way, particularly led by Senator Ian Campbell; I think that all members, if they were honest with themselves, would admit he has done an outstanding job—were successful in several votes. The Australian resolution urging Japan to withdraw its proposal for expanded scientific whaling, which I thought would be the hardest resolution to get adopted and had real doubts as to whether we could get it adopted,
was adopted by 30 votes to 27. This is a tremendous result and it reflects the enormous amount of work that, quietly and behind the scenes, has been put into this issue by the Australian government.

Following this vote, Japan withdrew its own resolution seeking support for its expanded scientific whaling program—and I am glad it withdrew it, because I am confident it would have been defeated. In another win, Australia and other anti-whaling nations successfully defeated by 30 votes to 25 the Japanese proposal to abolish the Southern Ocean whale sanctuary. Japan is a country with which we have a very strong and friendly relationship in spite of this, but I think this does send a very strong message to our friends in Japan that the international community is solidly opposed to whaling and, in particular, to Japan increasing its scientific whaling quotas.

In conclusion, let me make the point that, in spite of these differences with Japan over whaling, which are sharp differences, it is a strong relationship that we have with that country. For example, senior officials from Australia met with American and Japanese officials yesterday in London for a preliminary meeting of the trilateral security dialogue, in preparation for the ministerial meeting that will take place later this year, and we have also commenced study on a free trade agreement. I think this demonstrates that, even between the closest of friends like Australia and Japan, we can have disagreements, sometimes sharp disagreements, but in the context of those disagreements we have been able to prevail and prevail very successfully in the International Whaling Commission.

Whaling

Mrs ELLIOT (2.27 pm)—My question is addressed to the Minister for Foreign Affairs. I refer to the fact that the resolution passed yesterday by the International Whaling Commission has no binding effect on Japan’s ability to continue its practice of so-called scientific whaling and the slaughter of whales. Will the government now agree to initiate action against Japan in the International Court of Justice to bring an end to global whaling once and for all? Will the government now agree to dispatch naval or supply vessels to the Australian Antarctic Territory waters—

Government members interjecting—

The SPEAKER—Order! Members on my right! The member for Richmond will start her question again.

Mrs ELLIOT—My question is addressed to the Minister for Foreign Affairs. I refer to the fact that the resolution passed yesterday by the International Whaling Commission has no binding effect on Japan’s ability to continue its practice of so-called scientific whaling and the slaughter of whales. Will the government now agree to initiate action against Japan in the International Court of Justice to bring an end to global whaling once and for all? Will the government now agree to dispatch naval or supply vessels to the Australian Antarctic Territory—

Government members interjecting—

The SPEAKER—Order! The member for Richmond will repeat the last part of her question.

Mrs ELLIOT—Thank you, Mr Speaker. Will the government now agree to dispatch naval or supply vessels to the Australian Antarctic Territory waters this whaling sea-
son to obtain photographic and other evidence of Japanese whaling practices—

Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order. It is quite against the nature of the standing orders for the opposition to wish to declare war against a foreign nation. The question is clearly out of order.

The SPEAKER—There is no point of order. I am waiting to get to the end of the question.

Ms Gillard—Mr Speaker, I rise on a point of order. I know they are all a little bit tired and fractious today, but if the member for Richmond could be permitted to finish her question. It is clearly in order and it is not about the matter that the government is assuming.

The SPEAKER—I have given the member for Richmond the call to finish the question, and I call the member for Richmond again.

Mrs ELLIOT—Will the government now agree to dispatch naval or supply vessels to the Australian Antarctic Territory waters this whaling season to obtain photographic and other evidence of Japanese whaling practices to support an Australian court case against Japan?

Mr DOWNER—I thank the honourable member for Richmond for her question. The thing about the Labor Party is that we are not to send military assets to defend the Iraqis against the insurgents but we should send them against the Japanese. Japan is a great friend of Australia. Let us make no mistake about that. I answered the central thesis of this question yesterday quite clearly, because I wanted the opposition to—and I am going to use this word very carefully—‘understand’ what the legal issues are.

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler is warned!

Mr DOWNER—We have not ruled in or ruled out any legal action on this matter, and we have said that on many occasions.

Opposition members interjecting—

Mr DOWNER—They are frisky today, Mr Speaker. They must be looking forward to the shadow ministry reshuffle. The member for Richmond is obviously a good prospect. I assumed that the opposition are interested in the International Court of Justice, and our position, as I have explained on many occasions, is that we will not rule in or rule out any legal action.

Mr Albanese interjecting—

Mr DOWNER—If you listened occasionally, instead of just jumping away, you would have known that from previous answers to questions.

The SPEAKER—The member for Grayndler will excuse himself from the chamber under 94(a).

The member for Grayndler then left the chamber.

Mr Price—Mr Speaker, I rise on a point of order. At what time did you warn a member of the government when the member for Richmond tried three or four times to ask a question?

The SPEAKER—There is no point of order.

Ms Gillard—Mr Speaker, I rise on a point of order. Can I ask you after question time today to reflect on the standard that has been applied today in respect of warnings? We had a member who had to commence a question three times because of the level of noise from the Leader of the House and the Treasurer. Neither was warned and both ought to have been.

The SPEAKER—The Manager of Opposition Business knows that questions to the Speaker come at the end of question time.
Mr DOWNER—As I said, we have not ruled in or ruled out legal action. I made the point yesterday to the House that, if we were to go to the International Court of Justice, we would have to argue the case on the basis of the so-called abuse of right. That is a point where you could at least endeavour to argue that, although the Japanese quota was a quota for scientific purposes—which is their claim—this was not in fact a catch for scientific purposes but for purposes beyond that. The legal advice we have is that an abuse of right case has not been brought to the International Court of Justice successfully up until now. So we would have to weigh up very carefully the prospects of winning or not winning.

The second point about this is that, regardless of the outcome of this case, it is worth remembering that the Japanese could withdraw altogether from the International Convention on the Regulation of Whales. If they were to do that, any ruling by the International Court of Justice would be rendered nugatory. So there is an intellectual point here as well as a political point.

Trade: Free Trade Agreement

Mr CAUSLEY (2.35 pm)—My question is directed to the Minister for Trade. Would the minister inform the House why negotiating a free trade agreement with China is in the best interests of Australia?

Mr VAILE—I thank the member for Page for his question and his strong support of the government’s comprehensive trade policy agenda in pursuing extra access into the many markets of the world. We have a specific focus on North Asia at the moment. Given the last question, it is important to note that we are putting a lot of effort, resources and energy into improving our trading relationships in North Asia and those massively growing markets. The traditional market is in Japan, but the fastest growing market and the fastest growing economy in the world is in China. A free trade agreement between Australia and China would undoubtedly create extra Australian jobs and raise living standards across the country.

Our economic relationship with China, particularly expressed in two-way merchandise trade, has quadrupled over the last decade to stand at about $29 billion at the moment. China is one of our fastest growing services exports markets, particularly in the education and tourism areas. It is growing rapidly, along with the broader services sector, recognising in the last 12 months our services exports have grown quite considerably. A free trade agreement with China would encourage even greater trade and investment flows across all sectors of our economy, including agriculture, manufactures, minerals, energy as well as services.

But, just as importantly, a successfully concluded FTA negotiation with China would provide us with the opportunity to shape our future economic and trade relationship with the fastest growing market in the world, China. It would give us a chance to protect and promote Australia’s interests in that market against the competitive position of our competitors in the region. We should not lose sight of the fact that China is also negotiating these agreements with other countries in the region. In the last two years, China has accounted for a quarter of world growth and a similar share of growth in global trade. It is absolutely in the Australian national interest that we pursue this goal. Independent economic analysis has indicated quite clearly that there is significant economic benefit to be had for the Australian economy as a result of a successfully negotiated free trade agreement with China. As I indicated earlier, it is part of our comprehensive trade policy agenda that goes right across a number of bilateral negotiations and also, and most importantly, the crucial WTO
negotiations of the Doha Round as it stands now.

Of course, the shadow spokesman for trade is often reminding us that that should be the No. 1 trade priority. It is, and I continue to say to him that it is. In an effort to ensure that we maintain our energy levels not just on our bilateral agenda but also—importantly in this year of a WTO ministerial meeting—in the multilateral arena and the Doha Round, the government is going to allocate an extra $11 million worth of resources to all the departments that are closely engaged and involved in all these negotiations so we can take greatest advantage of not just the bilateral agenda but also the multilateral agenda in terms of the consultation process, developing our negotiating mandate here in Australia on behalf of Australia’s exporting industries and our producers in Australia and prosecuting the case in developing a base of support in countries like China where we are negotiating.

I am encouraged by his support for this, and I note that he said on radio recently that ‘Australia has the potential to benefit in many areas, including the food sector, telecommunications sector and in the provision of education and health services as a result of a free trade agreement with China.’ We welcome that support. There has been recent polling undertaken on behalf of Austrade that indicates that amongst the broader community there is a 60 per cent level of support for the government’s position in negotiating a free trade agreement with China. So we welcome this support from the broader community and we welcome this support from the opposition spokesman on trade, because they all agree with the government that this policy pursuit is in the national interest.

National Security

Mr Rudd (2.40 pm)—My question is to the Minister for Foreign Affairs. I refer to the minister’s statement on the eve of the last federal election, when he said:

If the Indonesians rang us up and said there was a terrorist group in the Kimberleys and they were planning to launch an attack on Kupang in Indonesia and we say ‘Well we don’t really care, that’s your problem, pal, and we’re not going to do anything about it’. And they—

the Indonesians—

sent an F16 over and bombed the terrorist group, you could understand that.

Does the foreign minister still stand by that statement?

Mr Downer—All countries are entitled to the right of self-defence under the United Nations Charter, and I actually think even Indonesia is entitled to a right of self-defence—all countries are. We are. The thing about this is that this is an argument about so-called pre-emption. The Labor Party says that it does not support pre-emption. What that actually means is that in certain circumstances the Labor Party does not believe we should take action to protect Australian citizens, and we would like to know what those circumstances are.

Workplace Relations

Mr Wood (2.41 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House how the government is protecting employees from intimidation and coercion in the workplace? Are there any alternative views?

Mr Andrews—I thank the honourable member for La Trobe for his question. Yesterday new guidelines came into effect which outlined new powers for the building industry task force which will assist this task force in the collection and gathering of information and in conducting investigations into intimidation, thuggery and unlawful conduct in the commercial building and construction industry in Australia. These measures arise
from an act of parliament passed a year ago that has been blocked in the Senate for over 12 months by the Labor Party. Indeed, the Australian Labor Party has opposed every single measure that the government has pursued to clean up coercion and intimidation in the building and construction industry.

If it were not for the Democrats—in this case, their industrial relations spokesperson, Senator Murray—supporting the government, then we would not have got these laws in place to protect against coercion and intimidation. So in the very week when the Australian Labor Party are running advertisements about fictional intimidation in the workplace, they themselves have opposed measures in this parliament to stop intimidation and coercion in the industry where it frequently occurs. We have an advertisement running from the ALP about so-called coercion, and yet it seems that the ACTU, who is running this advertisement, has no qualms whatsoever about actual coercion and intimidation which is occurring in the building and construction area at the hands of the CFMEU.

If we want some examples of this actual coercion then we have only to look at the evidence that was given to the Cole royal commission. I have a copy of the transcript of the Cole royal commission from 21 February 2002. In it, a representative of the CFMEU, the building construction union, is discussing how he forced subcontractors to sign union agreements. The commissioner asked this question: ‘How did you achieve that?’ Answer: ‘No ticket, no start; if that didn’t work, apply a bit of pressure.’ And then further on in the transcript: ‘Did you give them time to read the document before they signed it?’ Answer: ‘It didn’t really matter, did it? No, I didn’t.’ There was no reading of the document whatsoever. ‘And you’re undertaking activities on behalf of the CFMEU?’ ‘That’s correct.’ This is a person who admits under questioning in the Cole royal commission that he was engaged in coercion, intimidation and thuggery—in unlawful activities—and yet when we bring before this parliament a bill and guidelines to try and stamp out that thuggery, intimidation and coercion, what do we get from the Australian Labor Party? Absolutely nothing. Have they been prepared to support us? Not a word of support whatsoever. Perhaps it has got a lot to do with the $4.9 million that the CFMEU has donated to the Australian Labor Party over the last nine years. They can run all the ads they like but the reality is that when it comes to doing something about coercion and intimidation, only this side of parliament has been prepared to do it.

Association of South-East Asian Nations

Mr RUDD (2.45 pm)—My question is to the Minister for Foreign Affairs. Does the—

Government members interjecting—

Mr RUDD—Have you got indigestion, Prime Minister? That was just an extraordinary noise. Does the minister recall the Prime Minister’s press conference on 7 April this year when, on the question of the ASEAN friendship treaty, he said the treaty reflected

... a mindset that we’ve really all moved on from

... I didn’t think it was appropriate that Australia should sign it.

Does the minister also recall the Prime Minister’s about-face on 14 April, when the Prime Minister suddenly said that a change in circumstances could lead to a change in the government’s earlier outright opposition to the treaty. Minister, what actually is the government’s position on signing a friendship treaty with ASEAN—the Prime Minister’s unequivocal opposition of 7 April, or the half back-flip with pike of 14 April?

Mr DOWNER—First of all, can I thank the honourable member for his question. I
really appreciate the opportunity to talk in the House about the Treaty of Amity and Cooperation and I think all honourable members will be pleased to hear something about it. The Prime Minister stated on 7 April the government’s position. We have not signed the Treaty of Amity and Cooperation. I might just remind the House that this was a matter that was given careful consideration by the Keating government. I think I am right in saying that my predecessor, Gareth Evans, went rushing along to Mr Keating’s office and said, ‘I’d love to sign this’ and Mr Keating said, ‘No way, mate’—or words to that effect.

Mr Rudd—I rise on a point of order on relevance, Mr Speaker. This is a question about current government policy, not ancient history.

Mr Downer—The Prime Minister on 17 April or 7 April rather—I think it was 7 April; the honourable member said it was, I can double-check that but I recall the words—gave an articulation of the government’s position. We have not supported this treaty for two or three reasons. First of all, in its preamble it talks about the Bandung principles. Australia has never been a supporter of the Bandung principles in the sense that we are not a member of the non-aligned movement—we never have been and under this government we will not be. The second thing is that it talks about non-interference in internal affairs and we have said, ‘Well, we don’t feel enthusiastic about signing up to something like that because we feel we have got the right sometimes to criticise other countries if we are unhappy with their practices.’ Thirdly, it establishes a high council. This high council can only include a signatory like Australia—a non-ASEAN country—if a dispute relates to Australia itself, as I understand it. In other words, we would not be a full and constant member of the high council.

Having said these things, there has not been a change in the Treaty of Amity and Cooperation; but it has been made clear to us as a result of the foreign ministers’ meeting at Cebu that one of the three conditions for Australia joining the East Asia Summit would be for us to sign the Treaty of Amity and Cooperation. What the Prime Minister has been reflecting is what we have been reflecting on as a government: will we maintain the position that the Keating government had, and our government has had, that we would not sign this treaty because of the concerns that I think the House would have been interested to hear and that I have articulated? On the other hand, we will have to weigh that up against the benefits that Australia would be able to gain from being a member of the East Asia Summit and, if you like, being there at the birth of an East Asian community. The Prime Minister has made that point on more than one occasion. I do not have the dates, I do not have the quotes here, but we will weigh that up. I will reveal even more. I really thank you for this question because this is something that we are talking to our—

Mr Rudd—I rise on a point of order, Mr Speaker, again on relevance. We asked the government whether they are going to sign this treaty or not, and seven minutes into the answer we do not know what the answer is.

The Speaker—I think the minister has finished his answer.

Medicare

Mr Richardson (2.50 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister inform the House how the government continues to improve Medicare?

Mr Abbott—I do thank the member for Kingston for his question. As he knows, and as all members of this House should
know, Australia has a very good health system. The Prime Minister of this country and the state Labor premiers all agree that our health system is amongst the best in the world. This is so because we have a government which does not just talk about Medicare; it invests the money necessary to make a good system even better. We have not just spent the money; we have generated the results. I want to acknowledge the presence in the gallery today of a large number of staff of the Health Insurance Commission. For 30 years these good people have been serving our country through Medicare. I want to say that we could not do it without them. The good public servants of this country are the unseen pillars of our democracy. I thank them, I congratulate them, and I know that they believe that the Howard government is the best friend that Medicare has ever had.

There is the safety net—the biggest structural improvement since 1984. We are investing $1.1 billion in the safety net. We are helping 1.5 million people next year. There are the bulk-billing incentive payments, which have lifted the national GP bulk-billing rate from 66 per cent to 73 per cent. There is the private health insurance rebate which has brought an extra three million people into private health insurance. There are the chronic disease management items just going onto the medical benefit schedule, which should mean that GPs have the rebates necessary to give their patients with chronic disease the time and the effort that they deserve. There is the allied health professional measure which, for the first time, has brought professionals such as physiotherapists, psychologists, dieticians, OTs, chiropractors and osteopaths into the Medicare net.

I pay tribute to retiring Senator Meg Lees for her work there and also to retiring Senator Len Harris, who is in the gallery today. May I say of Len Harris: the right man but the wrong party, mate. Thanks for your help on the allied health professional measure. There is the 30 per cent increase in medical student places since 2000 and there is the $830 million that we are investing in the rural health strategy. The Deputy Prime Minister may not regard the $830 million invested in the rural health strategy as necessarily his biggest achievement, but it is his indefatigable advocacy for country Australians which has put it there. That is one of the indicators that, long after he has left this government, the good work that he has done will continue. The Australian public are recognising the good work that the Howard government is doing in health and Medicare issues, as the latest Newspoll shows. What the public know, what the Leader of the Opposition knows, from the way he keeps his shadow minister for health advisedly under wraps, is that the Howard government is most definitely the best friend that Medicare has ever had.

Association of South-East Asian Nations

Mr WILKIE (2.54 pm)—My question is to the Minister for Foreign Affairs. I refer to the Prime Minister’s statement of 23 April that on 13 April 2005 it became apparent for the first time there was a link between Australia signing the ASEAN friendship treaty and Australia’s participation in the first East Asia Summit. Minister, how can the government claim that this link first became apparent on 13 April 2005, given the public statements by the Indonesian foreign ministry on 27 November 2004, the Thai Prime Minister on 1 December 2004 and the Malaysian Prime Minister on 5 December 2004 all urging Australia to sign the Treaty of Amity and Cooperation? Isn’t the minister just trying to paper over an embarrassing prime ministerial backdown on his doctrine of regional military pre-emption?
Mr DOWNER—I am not sure what has happened to the tactics committee today, but the answer to your question is that at the ASEAN foreign ministers meeting at Cebu—I do not have the exact date but this was after the April statement by the Prime Minister—the ASEAN foreign ministers agreed to three criteria for participation in the East Asia Summit. Prior to that, there were no criteria for participation in the East Asia Summit. Of the three criteria, one of them was that participants in the East Asia Summit should sign the Treaty of Amity and Cooperation. I do not see anything very political about this. Bearing that in mind and bearing in mind the great benefits that potentially Australia could yield from achieving something that would be very good for Australia, which is to be part of the emerging East Asian community and something that the Howard government has a real chance of achieving, we decided we would have discussions with ASEAN officials about this issue of the Treaty of Amity and Cooperation.

I was about to say, until I was so rudely interrupted by the member for Griffith, that we are undertaking discussions right at the moment. Over the last few weeks a deputy secretary of my department has been talking directly with some of those officials and we have had other contacts with them through our embassies and high commissions in the region. If we can come up with a satisfactory solution, and I hope we can, I think we can achieve the perfect outcome for Australia, which would be to participate in the East Asia Summit without in any way undermining the importance of our existing treaty arrangements with countries outside of ASEAN. We will see what conclusion we reach here. I think we will reach a conclusion before the parliament resumes. I really appreciate the opportunity of answering two questions about this from the member for Griffith and the member for Swan. I thank you for your interest and I am available for further questions if you would like.

Universities

Dr JENSEN (2.58 pm)—My question is addressed to the Minister for Education, Science and Training. Would the minister inform the House how the government’s higher education reforms are increasing the quality and efficiency of our universities for the benefit of students, staff and the wider community? Are there any alternative policies?

Dr NELSON—I thank the member for Tangney for his question. He is a very strong advocate for Murdoch University. It was reported yesterday that three Western Australian universities, Edith Cowan, Murdoch and Curtin universities were engaged in dialogue with a view to a possible merger. It is important for us to understand that, as a country of 20 million people, we currently have 38 publicly funded universities and about 100 private universities in Australia. In order for us to offer high-quality, accessible education to increasing numbers of Australians, it requires increased money and the government has committed an additional $11 billion in public funding to universities over the next 10 years. I too congratulate Senator Len Harris for joining with the government benches in supporting these reforms.

Yesterday the vice-chancellor of Curtin University, Professor Twomey, in referring to this proposed amalgamation, said:

Students at Murdoch and Curtin would have more choice because having more students would allow less viable courses and programs to run.

Mr Wilkie interjecting—

The SPEAKER—Order!

Dr NELSON—I advise the House and the member for Tangney that the government, as part of the reforms, has not only provided an additional 39,000 HECS or government funded places but also provided $145 million
in performance funding specifically available for management reform—

Mr Wilkie—What have you got against Western Australia?

The SPEAKER—Order! The member for Swan!

Dr Nelson—course rationalisation, amalgamations and structural reform in the university sector. For example, it is well known—

Mr Wilkie—What have you got against Western Australia universities?

The SPEAKER—Order! The member for Swan is warned.

Dr Nelson—that when, on behalf of the government, 3½ years ago I started on the course of reform in Australian universities the then Northern Territory University offered 167 courses and 97 of the courses had fewer than five students enrolled in them. There were 20,600 units on offer in universities with fewer than five students enrolled and more than 4,000 with less than one student. The University of Newcastle, which is undergoing serious economic reform, has for the last three years offered 148 subjects that have not had a single student enrolled.

In the past I have also advised the House that the member for Leichhardt left school at 14 to clean toilets at the Mareeba train station to pay for the law degree for the member for Hotham. When he leaves the parliament, he is thinking about doing a university degree, and he has a lot to choose from. For example, he can do Paranormal at Griffith University. If he wants to, he can enrol in Scepticism at Griffith University. He can do Golf Course Management. He can do Surfboard Riding at Edith Cowan or Southern Cross. He can do Aromatherapy. But he tells me he is particularly interested in Make-up Application for Drag Queens at Swinburne.

The reality is that the average, everyday taxpayer expects the government to ensure that money invested in universities is invested efficiently and that there is reasonable management and structural reform. The future of higher education will look increasingly to these kinds of amalgamations.

Association of South-East Asian Nations

Mr Rudd (3.02 pm)—My question is to the Prime Minister. Given that the ASEAN friendship treaty specifically precludes armed military action against ASEAN states unless authorised under the UN charter, how is Australia’s signing of this treaty compatible with the Prime Minister’s ‘unequivocal’—his term, not mine—defence of his doctrine of regional military pre-emption prior to the last election? Has the Prime Minister’s rock solid, ironclad and unequivocal pre-election commitment to regional military pre-emption now been quietly jumped in order to make it possible for Australia to participate in the first East Asia Summit?

Mr Howard—No.

Local Government

Mrs Gash (3.02 pm)—My question is addressed to the Minister for Local Government, Territories and Roads. Would the minister inform the House of government initiatives to reduce cost shifting from the state governments onto local councils and local government.

Mr Lloyd—I thank the member for Gilmore for her question. She has always been a very strong advocate for her electorate and for local government. This financial year the Australian government will provide more than $2 billion to local government. That includes $1.617 million in financial assistance grants and some $336.1 million in the Roads to Recovery program, a program that has been very well received by local government.
Cost shifting is a great concern to the federal government. It is a great concern to the Australian Local Government Association, which estimates that somewhere in the range of $500 million to $1.1 billion annually is shifted onto local government, predominantly from the state governments. The government took a leadership role and asked the House of Representatives Standing Committee on Economics, Finance and Public Administration to look into cost shifting. Mr Speaker, I am sure that you have an interest in this, and you ably chaired that inquiry.

Yesterday, the government tabled its response to the Hawker report. The main elements of our response were that we will pursue an intergovernmental agreement aimed at improving local government relations, introduce a motion in both chambers of the parliament recognising local government as an integral level of governance in Australia, and ask the Commonwealth Grants Commission to review the interstate split for the identified local roads component of the financial assistance grants and report back to the government by June 2006. We will maintain the financial assistance grants for four years for councils that amalgamate. We will also ask the Productivity Commission to initiate a study into local government’s revenue-raising capacity.

In conclusion, the government’s response to the Hawker report demonstrates our commitment to deriving outcomes from inquiries, the very strong commitment to local government and the commitment to ensure that funds for local government stay with local government and result in infrastructure and services at the local level. I would like to thank the President of the Australian Local Government Association, Councillor Paul Bell, and the members of that association for their constructive input and support for the government’s response to a very important inquiry.

Mr Price—Mr Speaker, I was wondering whether the minister would be prepared to table the document he was quoting from.

The SPEAKER—Was the minister quoting from a confidential document?

Mr Lloyd—No. I will table the document.

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

BUSINESS

Mr ABBOTT (Warringah—Leader of the House) (3.06 pm)—Mr Speaker, I seek the indulgence of the House for a moment. I have to inform members that I believe it is the Senate’s intention to sit late this evening. There are a number of bills which may well need to bounce backwards and forwards between this place and that place. I hope it does not go very late—all of us hope that—but we are, for better or for worse, in the hands of our colleagues in the Senate. It may suit the convenience of the House if we have a dinner break between 6.30 and 8.30.

PERSONAL EXPLANATIONS

Mr FITZGIBBON (Hunter) (3.07 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr FITZGIBBON—Yes, and I thank the Treasurer for the opportunity.

The SPEAKER—Please proceed.

Mr FITZGIBBON—During question time the Treasurer accused me of accusing the Treasury of being involved in a cover-up over credit card fraud. I did no such thing. I accused the government, a collective, of the cover-up—an accusation the Treasurer still has not rebutted.
VALEDICTORY

Mr HOWARD (Bennelong—Prime Min-
ister) (3.08 pm)—Mr Speaker, on indul-
gence: I wish to make some brief comments
about four very distinguished Australians
who in the case of two of them will be retir-
ing from the Senate on 30 June and in the
case of two others will be retiring from their
military positions also on 30 June. There
have been a number of very lengthy and
well-deserved valedictories to the 15 sena-
tors who are retiring from another place on
30 June. With no disrespect to the others, this
afternoon I want to confine my remarks to
two of them.

It would be wrong if the retirement of
Senator Brian Harradine went unremarked in
this place. Brian Harradine is the father of
the Senate. He has, by any definition, been a
remarkable political figure in Australian pub-
lic life over the last 30 years. In many re-
spects Brian Harradine is the last link in the
national parliament with events long ago—
half a century ago—which had a profound
impact on the Australian Labor Party and
helped reshape the politics of this country.
Whatever you may think of those events—
and we all have our views—he is the last link
with those events. It is proper if we have any
sense of political history that we pause for a
moment to respect that fact and also to place
on record our regard for the integrity with
which Brian Harradine has maintained his
position.

His has been a remarkably consistent posi-
tion. I say that in relation to not only the
stance he took on issues which divided him
from many of his former ALP colleagues but
also the stance he took on issues which have
been relevant to the conduct of the affairs of
the government over the last 9½ years. Brian
Harradine adopted a constructive attitude to
the government’s position in the Senate. He
made it very clear to me at the beginning of
my time as Prime Minister that he respected
the fact that we had won convincingly in the
House of Representatives and that we there-
fore had a mandate to implement the princi-
pal policies on which we had been elected
and, in particular, to secure the passage un-
opposed of our budget. But he also made it
very clear to me that there were certain
things about our policies that he disagreed
with profoundly and he had no intention of
compromising on those matters. I knew then,
as I have known ever since, that Brian Har-
radine would never support certain aspects of
our industrial relations agenda. And nothing
has happened between then and now to dis-
turb that well-founded and accurate belief.

I knew also, though, that when it came to
the espousal and the maintenance of the
principle of absolute parental choice in areas
of education, Brian Harradine would be the
best friend the government could ever have.
So it was that when we were debating the
new schools policy changes that the govern-
ment introduced in 1996 and which have led
to the very pleasing expansion of a large
number of low fee and overwhelmingly An-
glican and protestant schools in the outskirts
of Sydney and Melbourne—some 200 of
them—there was no stronger advocate of
that policy, consistent with his long-held
views about a fair go for Catholic education
in Australia. There was no more profoundly
enthusiastic supporter than Brian Harradine.

He supported the government in relation
to the sale of 30 per cent of Telstra, because
that had been our policy in 1996. Along the
way he looked after the interests of his state
of Tasmania. I think we all know that. So
great was his success in doing that that I
earned rebuke from both Labor and Liberal
premiers, not of Tasmania but of other states
of Australia. He has maintained that great
consistency. In negotiating with him over the
native title legislation I found he was a very
tough negotiator. He had that great skill of
leaving you in total doubt when he left the room as to precisely what he had agreed to during the course of the negotiation. You never felt that he was misleading you; you just somehow or other felt that his understanding of the subject embraced some matters which totally eluded you. That was the experience I had.

I want to place on record my enormous personal regard for Brian Harradine. He never broke his word. He was always up front when he could not help. It was no surprise to me when he ultimately said to me, in relation to the GST: ‘I cannot.’ It was quite a moment. It produced some other events to which I will refer in a moment in the context of some remarks about somebody else. Brian Harradine has had an enormous influence on Australian politics. He has had many accolades heaped on him over the past few days. He deserves all of them. I, along with all members of this parliament, hope there is a full restoration of his health and that he will be able to enjoy many years in the future with his family and, in particular, those many grandchildren. I thank Brian Harradine. I honour his integrity and decency and I wish him well for the future.

The other person to whom I would particularly like to refer is the retiring senator Meg Lees, the Independent from South Australia and the former leader of the Australian Democrats. Meg Lees did not agree with me on as many things as Brian Harradine did. She was closer to the government’s position on the GST but she certainly did not agree with me on most other things. I simply want to say that the constructive role she played in relation to the GST was in stark contrast to the negative position taken by the Australian Labor Party, the Australian Greens and, indeed, many other people in her own party—and Brian Harradine, for that matter. I found Meg Lees a person of honour, a person of her word and a person with whom it was a pleasure to negotiate and do business. I wish her well and I hope that she has a very successful life after parliament.

I briefly place on record here the thanks that I have already extended at some length in my party room to the contribution that Tsebin Tchen from Victoria and Sue Knowles from Western Australia have made to the Senate, in the case of Tsebin Tchen since 1998, and in the case of Sue Knowles since 1984. Also, of the other retiring senators I particularly single out and wish well, because of the health struggle he has at the present time, Senator Peter Cook, a very long-standing Labor Party senator from Western Australia and, for some time when I was shadow minister for industrial relations and he was industrial relations minister, my opposite number when the Labor Party was in government and we were in opposition. He has been very tenacious and has displayed enormous courage and determination and I do hope and pray that that is rewarded.

That now brings me to say a few words about the retirement of two men who have made a remarkable contribution to the Australian military forces. The first of those is General Peter Cosgrove, who will retire on 30 June as the Chief of the Defence Force. Peter Cosgrove has become the best known military figure in this country since Field Marshall Blamey. He is a person who in a very long and distinguished military career has, I think, particularly in recent years, identified and popularised the military forces with the mainstream of the Australian community in a way that we have not seen for generations.

Peter Cosgrove entered the Royal Military College in Duntroon in 1965. He served in Malaysia with 1RAR and joined the Australian Reinforcement Unit in South Vietnam in 1969. He was awarded the Military Cross for his service in South Vietnam. He became,
famously, Commander of INTERFET, the force which was responsible on the ground for the liberation of East Timor. He served as commander of that force until February 2000. During that time he became a household name in Australia. His capacity to explain and articulate in language that all Australians could understand and identify with became a matter of common praise and respect in the Australian community. He was a soldier’s soldier, greatly respected by the men and women who served under him. Whenever I attended a military event and General Cosgrove was present, once the formalities were over the common thing was to see him surrounded by all ranks, talking about the nature of their mission. His capacity to relate to all ranks and to inspire through easy exchange the men and women who served under him is something that certainly won and retained my admiration.

When he came back to Australia from East Timor he was appointed Chief of the Army and was promoted to the rank of lieutenant general. In July 2002 the government appointed him to the rank of general and he assumed the position of Chief of the Defence Force. During that time he served as a member of the National Security Committee of cabinet. He was involved in closely advising me and the government regarding the implementation of our decision to join the coalition operation in Iraq. It involved regular meetings of the National Security Committee of cabinet. I found his advice, his sense of what was going to happen on the ground, his ability to predict in particular—and I do not think I betray any secrets in saying this—the likely military responses on the ground of the then Iraqi army to be remarkably prescient, as it turned out. It was obviously the advice of a person who understood military operations in a very intricate way. So during his time serving on the ground he had learned not only how to relate to the men and women serving under him but also about the likely behaviour of potential military opponents. All great military commanders, it has been said, feel for their troops. This has had a very personal resonance for General Cosgrove because, as the House will know, his son Private Philip Cosgrove became part of the deployment in Iraq and recently, and welcome, safely returned home to his family.

I want to record my very deep gratitude on behalf of all Australians for the extraordinary contribution of General Peter Cosgrove to the life of this nation. As well as his esteemed military career, he has some extremely commendable sporting passions. I have not only spent a great deal of time with him in the National Security Committee of cabinet, I think I have spent almost as much time with him watching his and my beloved Wallabies play against the rugby nations of the world. He shares a great passion for rugby, and one that I very heartily endorse. To Peter and Lynne Cosgrove and their three sons: I thank them for the contribution they have made to Australia and I wish them well.

Finally, I would not want the opportunity to go by without recording also the thanks of the government to Vice Admiral Chris Ritchie, who, after 40 years of service in the Royal Australian Navy, retires on 30 June as the Chief of Navy. He had six commands in total, including the landing craft HMAS Tarakan, the destroyer escort HMAS Torrens and the destroyer HMAS Brisbane. He had three shore commands—Commander Australian Theatre, Maritime Commander Australia and Chief of Navy. I think it is fair to say that his career highlights were being the commanding officer of HMAS Brisbane during the Gulf War of 1990-91 and, over the last three years, Chief of Navy. He has, as Chief of Navy, overseen government decisions regarding the long-range provision of equipment for the Royal Australian Navy. He graduated from the Royal Australian Naval
College in 1968 and he trained further in the United Kingdom before a number of seagoing appointments and a staff appointment at the NATO School of Maritime Operations at HMS Dryad.

Chris Ritchie was also directly and intimately involved in the coalition operation in Iraq. It was during the early days of the operation in Iraq that for the first time for some decades naval vessels were involved in hostile action on behalf of Australia when naval cover was provided by, I think, HMAS Anzac for the Royal Marines that landed at Umm Qasar, in southern Iraq. I want to record our thanks and respect to Admiral Ritchie. He is a person of great dignity and bearing. It came to be his task as Chief of Navy to be involved in the comforting of many aggrieved families who lost loved ones in the wake of the Sea King helicopter disaster. I watched him move amongst those families, and the powerful yet compassionate way in which he expressed the solidarity and sympathy of the service was something that deeply impressed me and, I know, many others, including the member for Barton, the opposition spokesman on defence.

I know we have had a lot of things to say today about people who have announced decisions. I think it has been one of those different days for the parliament in relation to the comments we have made about our friend John Anderson, but I do not want to let the opportunity go by without recording the fact that the departure of Brian Harradine, in particular, from the Senate along with the other 14 marks a momentous change in the character of that place. I do not talk of the government majority. I talk of the fact that 15 out of the 76 members are going and that many of them, when you put them together, have over 100 years of service to that place. I think we sell ourselves short because we do not take enough time to reflect upon important historical changes when people leave this parliament. Once again, that is said without regard to political allegiance. We are not as good as we should be in recording thanks to people who have made a big contribution. We are not as good as we should be at reflecting on the richness of our own political and military history. We are not as good as we should be in recognising the fact that the contribution that distinguished Australians make to the service of this country is the equal of, if not in excess of, the contribution that distinguished citizens of other countries make to the history of their countries. They are often do it better than we have in the past. Perhaps we can, in a bipartisan fashion, resolve that all of us shall do it a lot better in the future.

Mr BEAZLEY (Brand—Leader of the Opposition) (3.26 pm)—Mr Speaker, on your indulgence: I wish to associate myself with the remarks the Prime Minister has just made about General Peter Cosgrove and Vice Admiral Chris Ritchie on their forthcoming retirement. I agree with his analysis of their careers. I agree too on, and I particularly note, the relationship that they have established with and the sense of responsibility that they have for the service personnel for whom they have had care and responsibility in the many years that they have been officers in our armed services. There is not really all that much that anyone could sensibly add to what the Prime Minister has had to say about their careers.

I would like also, on this occasion, to make some remarks about some of the senators to whom the Prime Minister referred. There are more than a dozen—14, or 15 if you count Dr John Tierney, who departed earlier—who are leaving the Senate at this time. From our side of the parliament five are leaving—Senators Jacinta Collins, Kay Denman, Geoff Buckland, Peter Cook and Nick Bolkus. I want to keep my remarks brief because, like the Prime Minister, we
have also had occasion to farewell them in our party caucus and at a function. The five of them together add up to 75 years of senatorial experience and therefore are worthy of a mention in the terms and conditions of the Prime Minister’s remarks about us appropriately recognising past service. Jacinta Collins came into the Senate in 1995 following the death of Senator Olive Zakharov. She served in many roles and was an effective and dedicated advocate for children and youth in her position as spokesperson in that portfolio. She also managed to raise a young family while serving in the Senate, combining her political duties with the 14-plus hours of housework which, we are reliably told, working mothers tackle each week on top of their full-time jobs. Her contribution has been greatly valued.

Kay Denman, a former teacher, and a former secretary to former Tasmanian Premier Michael Field, entered the Senate following the resignation of Senator Michael Tate. She was re-elected in 1993—a significant achievement from the No. 3 position on the Tasmanian Senate ticket and testimony to her personal standing. She was deputy government whip for the last six months of the Keating government. She has also been a strong activist and intends to continue her contribution to Tasmanian public life. Geoff Buckland is having the sea change we all dream about. He is heading off to be a farmer on a bit of dirt in the north of South Australia. His life represents a great Labor tradition—from tradesman to senator, Sydney to Whyalla—and now he is going to work on the land. I hear he has already purchased a plough and a small truck and is complaining about the rainfall. He came to the Senate in 2000 and has been deputy opposition whip since 2001.

Finally, I would like, at slightly greater length, to refer to Senator Cook and Senator Bolkus, because they are men who have made a very serious contribution to the life of this parliament and to the life of the Australian Labor Party. They have a combined total of 46 years of parliamentary and ministerial service and their departure marks an end of an era. The Prime Minister made some very kind remarks about Peter Cook’s health, and the prayers that he has for Senator Cook’s recovery are prayers that are sent up regularly from our side of the House. He is beloved of us and we hope that he enjoys a long and healthy retirement.

He came to this place with a background as a fitter and turner and an extensive union career. He was Secretary of the Trades and Labour Council of WA and Vice-President of the ACTU when I first knew him. He was Minister for Resources from 1988 to 1990 and within months of his becoming minister, the Gove alumina dispute was resolved and he presented the Energy 2000 policy paper. However, it was as Minister for Industrial Relations that Peter demonstrated that far-reaching industrial relations reform can best be achieved through cooperation and inclusion. He was responsible for what has arguably been the most significant change in the Australian workplace in the last 30 years: the formal acceptance of enterprise bargaining by the Industrial Relations Commission in 1991. It was not easy but success was a credit to Peter’s energy, determination and ability, and a credit to the trade union movement which recognised that reform was essential to remake the Australian economy and underpin prosperity for the Australian people.

As trade minister he chaired the Cairns Group and finalised the Uruguay Round of negotiations. He later took on the portfolio of Industry, Science and Technology. It has to be said in relation to his performance in the area of trade that he became a very noted trade spokesman for the Labor Party when we first came into opposition and he was
there for a considerable period of time and lent his voice to some very important trade discussions involving Australia in international forums. He is never one to back away from a battle. Peter fought on, as I said, after Labor’s defeat and served in the shadow trade portfolio and as deputy leader in the Senate. He chaired the Senate inquiries into the children overboard and the US free trade agreement. His was a remarkable political career and we wish him plain sailing ahead.

Nick Bolkus has spent 31 years in Canberra, arriving here as a staffer for Senator Reg Bishop before moving to the office of immigration minister, Clyde Cameron. Elected to the Senate in 1980, he has been elected to the Senate six times. His influence in the Hawke and Keating governments in three portfolios was significant. His career in the ministry spanned eight years. He entered cabinet in 1990 as Minister for Administrative Services, introducing legislation forcing the disclosure of political donations. In 1993 he became Minister for Immigration and Ethnic Affairs and Minister Assisting the Prime Minister for Multicultural Affairs, bringing to those portfolios a passionate belief in the social and economic value of multiculturalism to Australia. At a time of reform and ideas he oversaw a major restructure of the department, increased our migration and refugee programs, established the Refugee Review Tribunal, implemented the Migration Reform Act and changes to the business migration program. He has played an important role for us in opposition. His negotiating and intellectual skills were invaluable in the Wik debate and his commitment to Australia’s Indigenous people has been one of his great contributions.

I also acknowledge the departure of the other senators: Senator Sue Knowles, Senator Meg Lees, Senator Shayne Murphy, Senator Brian Greig, Senator Aden Ridgeway, Senator Tsebin Tchen, Senator Len Harris and Senator John Cherry—and also Dr John Tierney, who would have retired on 30 June but decided to pull up stumps a week or two early to return to private life. We wish them all well.

Finally, I make special reference, as did the Prime Minister, to the life and career of Senator Brian Harradine. This is the passing from this parliament of a person who has become, over the years, a great pillar of the operations of the Senate, and of a particular view of the function of that house as a house of review and a house that has responsibility for paying some mind to the issues of the states’s concerns. On his election to the Senate he said:

... I am a trade unionist; I have been a full-time union official for over 17 years. That is my love; that was my life. I was committed to uplifting the poor, to championing the cause of the underprivileged ... and to representing the aspirations of the workers.

Years later Gough Whitlam said of Brian Harradine that he was the worker’s friend. Speaking as Labor leader today, I want to say that while Brian came into the Senate as an Independent he remained throughout the time of his Senate career a solid and operating union man. No-one could doubt the passion that he had for democracy and the role of the Senate. Only seven senators have served longer—the longest was the remarkable record set by Sir George Pearce, of 37 years—and he served for that length of time by facing and winning six elections as an Independent. That is a remarkable achievement.

He was a senator in the Fraser government years, when the government last controlled the Senate, but it was the time between 1996 and 1999, when he held the balance of power, where Brian’s passion for fairness and justice will be remembered. We will remember his negotiations on the issue of the Wik agreement. We did not always agree
with the positions that Brian Harradine adopted but we understood completely that, whatever our disagreements with him on that, he had at the back of his mind a very clear conception of what he believed to be the needs and interests of the Indigenous people of this country. As I said, though we may have quarrelled with the point of view that he adopted from time to time, we would not challenge the assumption about his own belief about the things that he was doing.

As my colleague in the Senate Chris Evans recently pointed out, who will ever forget the cliffhanger GST speech which kept us all on tenterhooks for 19 minutes and 30 seconds, wondering, ‘Will he or won’t he?’—proof of his wicked sense of humour. He does have a wicked sense of humour. Right until his last days in the Senate Brian was defending democratic principles. It is worth recording in this quote of him:

Our grasp on democracy is fragile indeed. It stands or falls not merely upon the values which it embodies and promotes but on the way that power is exercised, and to what end. I have always championed accountability to parliament.

He added:

I leave this place in the knowledge that I have defended the Senate in its proper function as a house of review and not as a rubber stamp for the government of the day.

I think all of us here would wholeheartedly agree with that. It is a warning to those of us who continue that, while Brian Harradine is retiring, the government will take control of both houses of parliament. We are moving into a new phase of our history and politics when we will face new challenges to protect and strengthen what he described as ‘our grasp on democracy’. Australian public life is better for Brian Harradine’s service and his unwavering belief that we can measure society by the way we treat the weakest and most vulnerable among us. On behalf of the Labor Party, I wish Brian, his wife, Marian, his children and his 31 grandchildren happy, contented times safe in one another’s company.

Mr ANDERSON (Gwydir—Deputy Prime Minister) (3.38 pm)—I would like very briefly, on indulgence, to associate myself with the generous remarks made by the Prime Minister and the Leader of the Opposition about certain of our senatorial colleagues. I would like to add an interesting historical postscript—my second for the day. Earlier, Len Harris was flippantly, though lightly—and, I think, kindly—referred to as ‘the right man from the wrong party’. I have seen an instance of quite striking humility from Len Harris. I once met him on a plane. I had booked very late, and there were no seats left at the front of the plane. Len Harris had one of those seats and I was moving down the back. He physically grabbed me and said, ‘Where are you going?’ I said, ‘Down the back.’ He said, ‘Why are you going down there?’ I said, ‘I booked late and there are were no seats left.’ He said, ‘I will not take a seat at the front of the plane and allow the Deputy Prime Minister to sit down the back.’ I was quite struck by that. Anyway, I remonstrated with him—we had quite an argument. I pulled rank and sat in economy class, and he stayed where he was. It was an interesting reflection of his essential humility, and I have always rather respected him for it.

I particularly want to associate myself with the remarks the Prime Minister made about Brian Harradine. He is a wonderful, very dedicated and decent man who I think has made a great contribution. I share his views on many subjects—certainly not on industrial relations, but on many others. Likewise, I associate myself with the Prime Minister’s remarks about General Cosgrove. My wife is patron of the defence spouses association and has quite an involvement
with General Cosgrove’s wife, Lynne. Both of us wish them all the best in the future.

The other thing I want to do is very sincerely thank people for their very kind remarks. I apologise for leaving during those remarks. I had committed myself to meeting with the press, as one does, not having anticipated it would take more than half an hour or so to clean up my issue. I very sincerely thank people for their kind remarks. Prime Minister, thank you for your remarks.

I took very seriously all the difficult debates about aviation and maritime security, and I think it would be useful for the House to recognise that Martin Ferguson also took them very seriously. He tracked what I was doing very closely indeed. I respect him enormously for the fact that, when we were setting up the aviation and maritime security arrangements, he sought frequent briefings and never once played politics with issues that he thought went to the security of the travelling public in Australia. I record my respect for him on that.

I am taken aback by what people have said today. I appreciate it enormously, and I know that Julia does as well. Thank you.

QUESTIONS TO THE SPEAKER

Mr Geoff Burke

Mr STEPHEN SMITH (3.41 pm)—Mr Speaker, unusually, this might be a unity ticket question with the member for Forrest, Mr Prosser—but he might have a supplementary. Mr Geoff Burke is a longstanding Comcar driver in Perth who is retiring on 30 June. He has provided great service to all Western Australian members. Mr Burke has driven for the Prime Minister on many occasions, and I know that the Prime Minister is writing to him separately. Mr Burke happens to be a constituent of mine. I cannot attest to or verify how he votes, but he has provided to me and all members from Western Australia great service over a decade and a half. Mr Speaker, I would be very pleased if, on behalf of Western Australian members, you would write to him to thank him for his service.

The SPEAKER—I thank the member for Perth.

Mr Geoff Burke

Mr PROSSER (3.42 pm)—Mr Speaker, I join with the member for Perth in requesting that of you. Geoff Burke has been a tremendous Comcar driver. No matter how late the flights were and no matter how bad the weather was, it was always fantastic to get into Geoff’s car. He always had a smile, he was charming and very helpful. I join with my colleague in expressing my support for Geoff Burke. Given the tremendous service he has given to members of parliament, the judiciary and others, I think it is appropriate to request of you, Mr Speaker, that you write to him and thank him for his service.

The SPEAKER—I thank the member for Perth and the member for Forrest. I would certainly be happy to facilitate that request, as well as providing to Mr Burke a copy of the Hansard containing your kind remarks.

Question Time

Mr ALBANESE (3.43 pm)—Mr Speaker, in question time today the member for Richmond asked a question that essentially went to whether Australia’s actions on illegal whaling will be consistent with our current negotiations on tuna, patagonian toothfish, illegal Indonesian fishing boats and a whole range of other issues.

The SPEAKER—The member for Grayndler will come to his question.

Mr ALBANESE—My question goes to the House of Representatives Practice and the impartiality of the chair. You may recall that, when the member for Richmond attempted to ask her question, she had to begin it again three times. She had to repeat the last
paragraph—of what was a short question—some four times because of the extraordinary behaviour of those opposite, particularly those on the front bench, in breach of standing order 65(b). We also saw—

The SPEAKER—The member for Grayndler will stick to his question and not debate the issue.

Mr ALBANESE—Mr Speaker, I refer you to page 163 of the House of Representatives Practice—and perhaps I am one of the first people to refer to the fifth edition. It states:

According to May:

Confidence in the impartiality of the Speaker is an indispensable condition of the successful working of procedure, and many conventions exist which have as their object not only to ensure the impartiality of the Speaker but also to ensure that his impartiality is generally recognized.

In the circumstances, and I congratulate the member for Richmond on the extraordinary job she did—

The SPEAKER—The member will come to his question and not debate it.

Mr ALBANESE—The question is very clear, Mr Speaker. Do you believe, or will you at least examine the record today, that you acted in an impartial way when I was excluded from the House under standing order 94(a), given the conduct of those opposite?

The SPEAKER—The member has asked his question and is now debating the issue. I will respond to the member when he resumes his seat. I thank the member for Grayndler. I am certainly aware of the passage of that part of the House of Representatives Practice. I think it would be obvious that I was endeavouring to allow the member for Richmond to complete her question. Having said that, I certainly do take very seriously the part of the House of Representatives Practice that the member refers to. But the only way open to him if he wishes to disagree with the subsequent action taken by the chair is by way of a substantive motion.

Mr ALBANESE—Mr Speaker, my question to you is: when we return in the next session, will you behave in a way which treats both sides of this House equally?

The SPEAKER—The member for Grayndler is getting very close to reflecting on the chair.

Mr ALBANESE—Mr Speaker, do you find the behaviour of those opposite today acceptable?

The SPEAKER—I thank the member for Grayndler. I will certainly review the Hansard, as I endeavour to do after each day of sitting.

Question Time

Mr PRICE—Mr Speaker, I ask that you review the tape of question time today and the conduct of both sides of the House. Would you generally reflect on the way in which the honourable member for Grayndler was trying to point out the different treatment accorded to one side of the House compared with the other? I think that is all that is being asked. If you would do that, we would be grateful.

The SPEAKER—I thank the Chief Opposition Whip. I will certainly review the Hansard, as I endeavour to do after each day of sitting.

Question Time

Mr ALBANESE—Mr Speaker, will you report back to the House either beforehand or when we return? Or will you agree to meet with the Manager of Opposition Business and me as Deputy Manager of Opposition Business to discuss these issues prior to parliament recommencing for the next session?

The SPEAKER—I thank the member for Grayndler. I will certainly review question time today. As the member for Grayndler would be aware, I am happy to meet with him and any other member of the chamber
privately whenever it suits them. I am more than happy to accommodate that last point.

COMMITTEES

Reports: Government Responses

The SPEAKER (3.47 pm)—For the information of honourable members, I present a schedule of government responses outstanding to reports of House of Representatives and joint committees, incorporating reports tabled and details of government responses made in the period between 8 December 2004, the date of the last schedule, and 22 June 2005. Copies of the schedule are being made available to honourable members and it will be incorporated in Hansard.

The report schedule read as follows—

THE SPEAKER’S SCHEDULE OF OUTSTANDING GOVERNMENT RESPONSES TO REPORTS OF HOUSE OF REPRESENTATIVES AND JOINT COMMITTEES
(also incorporating reports tabled and details of Government responses made in the period between 8 December 2004, the date of the last schedule, and 22 June 2005)

23 June 2005

THE SPEAKER’S SCHEDULE OF OUTSTANDING GOVERNMENT RESPONSES TO COMMITTEE REPORTS

On 23 June 2005, the Government presented its response to a schedule of outstanding Government responses to parliamentary committee reports tabled in the House of Representatives on 9 December 2004.

It is Government policy to respond to parliamentary committee reports within three months of their presentation. In 1978 the Fraser Government implemented a policy of responding in the House by ministerial statement within six months of the tabling of a committee report. In 1983, the Hawke Government reduced this response time to three months but continued the practice of responding by ministerial statement. The Keating Government generally responded by means of a letter to a committee chair, with the letter being tabled in the House at the earliest opportunity. In 1996, the Howard Government affirmed the commitment to respond to relevant parliamentary committee reports within three months of their presentation.

The Government also undertook to clear, as soon as possible, the backlog of reports arising from previous Parliaments.

The attached schedule lists committee reports tabled and government responses to House and joint committee reports made since the last schedule was presented on 9 December 2004. It also lists reports for which the House has received no government response. A schedule of outstanding responses will continue to be presented at approximately six monthly intervals, generally in the last sitting weeks of the winter and spring sittings.

The schedule does not include advisory reports on bills introduced into the House of Representatives unless the reports make recommendations which are wider than the provisions of the bills and which could be the subject of a government response. The Government’s response to these reports is apparent in the resumption of consideration of the relevant legislation by the House. Also not included are reports from the Parliamentary Standing Committee on Public Works, the House of Representatives Committee of Members’ Interests, the Committee of Privileges, the Publications Committee and the Selection Committee.

Government responses to reports of the Public Works Committee are normally reflected in motions for the approval of works after the relevant report has been presented and considered. Reports from other committees which do not include recommendations are only included when first tabled.

Reports of the Joint Committee of Public Accounts and Audit primarily make administrative recommendations but may make policy recommendations. A government response is required in respect of such policy recommendations made by the committee. However, responses to administrative recommendations are made in the form of an Executive Minute provided to, and subsequently tabled by, the committee. Agencies responding to administrative recommendations are required to provide an Executive Minute within 6 months of tabling a report. The committee monitors the provision of such responses. The schedule only includes reports with policy recommendations.
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<td>No response to date</td>
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<td>Difficult Choices: Inquiry into the role of the National Capital Authority in determining the extent of redevelopment of the Pierces Creek Settlement in the ACT</td>
<td>31-08-04</td>
<td>No response to date</td>
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<td>Description of Report</td>
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<td>Native Title and the Aboriginal and Torres Strait Islander Land Fund (Joint, Statutory)</td>
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<td>Nineteenth Report: Second interim report for the s.206(d) Inquiry - Indigenous Land Use Agreements</td>
<td>26-09-01</td>
<td>No response to date^39</td>
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<td>The effectiveness of the National Native Title Tribunal</td>
<td>04-12-03</td>
<td>No response to date^39</td>
<td>No</td>
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<tr>
<td>Examination of Annual Reports 2002-2003</td>
<td>24-06-04</td>
<td>No response required</td>
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<td>Native Title and the Aboriginal and Torres Strait Islander Land Account (Joint, Statutory)</td>
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<td>Examination of Annual Reports 2003-2004</td>
<td>20-06-05</td>
<td>Time has not expired</td>
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<td>27-08-01</td>
<td>No response to date^40</td>
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<td>13-10-03</td>
<td>No response to date^57</td>
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<tr>
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<td>01-12-03</td>
<td>No response to date^41</td>
<td>No</td>
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<td>03-06-04</td>
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<tr>
<td>Media coverage of House proceedings including the Chamber, Main committee and committees</td>
<td>09-08-04</td>
<td>No response required</td>
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<td>The anticipation rule</td>
<td>14-03-05</td>
<td>17-03-05</td>
<td>Yes</td>
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<td>Public Accounts and Audit (Joint, Statutory)</td>
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<td>Corporate governance and accountability arrangements for Commonwealth government business enterprises, December 1999 (Report No. 372)</td>
<td>16-02-00</td>
<td>No response to date^43</td>
<td>No</td>
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<tr>
<td>Review of Independent Auditing by Registered Company Auditors (Report No. 391)</td>
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<td>No</td>
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<td>Annual Report 2003-2004 (Report No. 401)</td>
<td>11-08-04</td>
<td>No response required</td>
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<td>Access of indigenous Australians to legal services (Report No. 403)</td>
<td>22-06-05</td>
<td>Time has not expired</td>
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<td>Recent Australian Bushfires (House, Select)</td>
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<td>A nation charred: Inquiry into the recent Australian bushfires</td>
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<td>No response to date^57</td>
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<td>Science and Innovation (House, Standing)</td>
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<td>21-06-04</td>
<td>No response to date^44</td>
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<td>Transport and Regional Services (House, Standing)</td>
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<td>Moving on intelligent transport systems</td>
<td>09-12-02</td>
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<td>Regional aviation and island transport services: Making ends meet</td>
<td>01-12-03</td>
<td>No response to date</td>
<td>No</td>
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<td>National road safety – Eyes on the road ahead</td>
<td>21-06-04</td>
<td>No response to date</td>
<td>No</td>
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<td>Ship salvage</td>
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<td>No response to date</td>
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<td>Train illumination</td>
<td>24-06-04</td>
<td>No response to date</td>
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<td><strong>Treaties (Joint, Standing)</strong></td>
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<td>Convention for the Safety of Life at Sea 1974 and the International Ship and Port Facility (ISPS) Security Code (57th Report)</td>
<td>04-12-03</td>
<td>16-06-05</td>
<td>No</td>
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<tr>
<td>The Australia – United States Free Trade Agreement (61st Report)</td>
<td>23-06-04</td>
<td>No response to date</td>
<td>No</td>
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<tr>
<td>Treaties tabled on 7 December 2004 (previously tabled in May and June 2004) (63rd Report)</td>
<td>14-12-04</td>
<td>No response to date</td>
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<td>Treaties tabled on 7 December 2004 (2) (64th Report)</td>
<td>10-05-05</td>
<td>No response to date</td>
<td>No</td>
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<td>Treaties tabled on 7 December 2004 (3) and 8 February 2005 (65th Report)</td>
<td>20-06-05</td>
<td>Time has not expired</td>
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These notes reflect the response circulated by the Leader of the House on 9 December 2004 entitled “Government Responses to Parliamentary Committee reports. Response to the schedule tabled by the Speaker of the House of Representatives on 23 June 2005”.

1. The date of tabling is the date the report was presented to the House of Representatives. In the case of joint committees, the date shown is the date of first presentation to either the House or the Senate. Reports published when the House (or Houses) are not sitting are tabled at a later date.

2. If the source for the date is not the Votes and Proceedings of the House of Representatives or the Journals of the Senate, the source is shown in an endnote.

3. The time specified is three months from the date of tabling.

4. The government expects to consider broader reforms to the Act including land tenure proposals and to introduce amendments to the Act into the Parliament.

5. The government response to the report is well advanced with input from relevant agencies being received.

6. Outstanding issues arising from the interim report will be covered in the response to the final report.

7. A draft is in progress. A response will be tabled in due course.

8. Tabling of the response is expected to occur shortly.

9. The response is currently being considered by the government and is expected to be tabled in the near future. Due to the scope of Committee’s recommendations, extensive consultation across government departments and agencies was required. This process, and the Federal Election in October 2004, delayed government consideration of the response.
10 The response has required significant consultation between Australian government agencies. That process was interrupted by the Federal Election and associated caretaker period. It is expected that the response will be tabled in the near future.

11 Since the release of the report the government has introduced a range of measures that have facilitated the use of wireless technologies to deliver broadband services. These measures include reductions in carrier licence fees, improved information for wireless operators and the launch of the Higher Bandwidth Incentive Scheme (HiBIS). Under HiBIS wireless providers are able to compete with other providers for over $100 mill in incentives to improve access to broadband services in regional areas.

Given these developments and that in 2005 the government intends to introduce legislative amendments to the Radiocommunications Act 1992 a response to the Productivity Commission Radiocommunications Inquiry and the Radiocommunications Review, the government does not plan to respond further to the report.

12 The government is continuing to prepare a response to the report, which concerns a broad range of issues.


14 The government has responded in part to this report through changes to the Corporations Regulations and public proposals to make further refinements to the regulation of financial services. A combined response to this report and other reports by the Committee on certain financial services regulations taking into account this ongoing policy development will be tabled in due course.

15 The government is considering the recommendations in the context of recent corporate governance law reform and a response will be tabled in due course.

16 The government has responded in part to this report through changes to the Corporations Regulations. A combined response to this report and other reports by the Committee on certain financial services regulations taking into account these policy responses will be tabled in due course.

17 The response is being finalised and is to be tabled as soon as possible.

18 The response is to be combined with that for ‘Money Matters in the Bush’ and will be tabled as soon as possible.

19 On 22 March 2005, the Parliamentary Secretary to the Treasurer, the Hon Chris Pearce MP, announced that the government would address the recommendations of the report in the context of developing an integrated set of proposals to improve the operation of Australia’s insolvency laws.

The set of proposals will also include responses to issues raised by the James Hardie Special Commission of Inquiry and recent reports of the Corporations and Markets Advisory Committee in its reports on voluntary administration, corporate groups and the rehabilitation of large and complex enterprises.

The government expects to release proposals for consultation with stakeholders by the end of 2005.

20 The response is being updated and expected to be tabled in due course.

21 The government is giving consideration to the recommendations in this report. Since its release, there have been a number of developments in the policy areas relating to the recommendations, including the announcement by the Treasurer that the Australian government will amend the Trade Practices Act 1974 to introduce criminal penalties for serious cartel conduct. The response that takes into account these recent developments will be provided in due course.

22 The response will be tabled as soon as possible.

23 A response has been drafted and will be tabled in due course.
A response is being finalised and is expected to be tabled shortly.

The Prime Minister made a statement in-principle in July 2004 responding to the report and included an allocation of $397 million over four years in the 2005-06 Budget to support its response. The formal response is expected to be tabled in the near future.

All relevant portfolios have now updated their input and a consolidated response will be finalised as soon as possible.

A response to the report’s recommendations have been developed and is currently being cleared with portfolios affected by the recommendations.

The issues raised in the report coincided with those raised in the development of the Minerals Exploration Action Agenda (MEAA). The MEAA has been incorporated into the government’s Resources Exploration Strategy, which was released on 2 July 2004, and constitutes the government’s response to this report. The Chair of the Committee was advised of this in writing on 23 February 2005 by the Minister for Industry, Tourism and Resources. The government does not intend responding further to the report’s recommendations.

The government does not propose to respond to this report at this time.

The response is in the final stages of clearance and is expected to be tabled soon.

Preparation of the response is currently underway.

The response has been finalised and will be tabled shortly.

Consultation on the response for this report is underway.

A response is being prepared and will be tabled in due course.

A draft response is with portfolio Ministers for comment.

It is anticipated that the response will be tabled shortly.

The government considers that the current procedures for the opening of the Parliament continue to reflect Australia’s parliamentary traditions and democratic heritage. Accordingly, the government does not propose to seek changes to existing procedures at this time.

The government considers that the existing arrangements provide the opportunity for a significant debate on legislation and that they remain appropriate. Accordingly, the government does not support the recommendations of this report.

The House adopted sessional orders to implement recommendations of committee on 17 March 2005.

The government is considering its outstanding recommendations and a response will be tabled in due course.

The response is being considered by the relevant portfolios and will be tabled in due course.

The government is currently considering its response to this report. It is expected that a final response will be tabled in 2005.

The response is being finalised for tabling.

The response will be tabled following completion of Australian Transport Council processes.

Consultations with relevant portfolios are still proceeding. The response will be tabled as soon as consultations have been completed.
The SPEAKER—A number of members have expressed their concern to me over the nature of recent public discussion on the provision of government responses to committee reports and I would like to take this opportunity to make some observations on parliamentary committees.

Since 1983, successive governments have committed to responding to committee reports in three months. While it appears that governments have found this response time challenging, and there may be many reasons for that, the value of a committee inquiry and the report is not simply determined by whether a report receives a timely government response.

Committee inquiries serve a key purpose in allowing the community to participate directly in the parliamentary process, commonly referred to around this place as ‘taking parliament to the people’. The inquiries help to inform members of the public about issues under consideration in the parliament and to directly inform parliamentarians of public and community attitudes.

At the same time, they pull together a wide range of opinion that becomes an ongoing resource for parliamentarians and the community.

From my experience as a committee chair I also note that governments often embrace a position arising from a committee inquiry or report before providing a formal response and many have influenced government policy and legislation but have not yet received a formal government response.

It should also be noted that some committee reports do not require government responses. Once again from my own experience, I draw attention to the twice yearly scrutiny of the Reserve Bank where the public hearing is the critical part of the inquiry. It is also the case that many recommendations made in committee reports are aimed at bodies other than the Commonwealth government.

Nevertheless, the formal response of government is a vital part of the inquiry process and it does assist committee members, participants in the inquiry process and other interested people to assess the value of the inquiry.

Many of the points I have made in this context answer part of the question addressed to me yesterday by the member for Banks. However, in response to the specific question put to me by the member for Banks, there is no basis of authority for me to write to ministers concerning responses to committee reports that have not been made after three months.

My role as the Speaker is to monitor the provision of government responses to committee reports and inform the House of outstanding responses. The schedule I have just presented fulfils this function. If this role is to be expanded it would be a matter for the Procedure Committee to consider and for the House to determine.

Finally, I would like to make the point that it is within the authority of individual committees to follow up with relevant ministers and departments with regard to their reports.

Mr PRICE (Chifley) (3.50 pm)—On indulgence, Mr Speaker: as you are aware, the Procedure Committee is looking at some aspects of committee work. Would you write to the Procedure Committee about the matter on which you have reported to the House, indicating the direction you might favour in the Procedure Committee taking up this matter, as you have indicated that they are able to do so?

Mr CAUSLEY (Page) (3.50 pm)—On indulgence: as Chairman of Committees, and following a meeting we held I think on Monday, I have already written to ask whether reports can be responded to more quickly
quickly and to give a yes or no to committees as to whether their recommendations are accepted.

The SPEAKER—I thank the member for Page. I trust that response satisfies the Chief Opposition Whip.

AUDITOR-GENERAL’S REPORTS

Report No. 55 of 2004-05

The SPEAKER—I present the Auditor-General’s Audit report No. 55 of 2004-05 entitled Performance audit: Workforce planning.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (3.52 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

DOCUMENTS

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (3.52 pm)—I present documents, being petitions which are not in accordace with the standing and sessional orders of the House, from the members for Prospect, Higgins, Gellibrand and Hotham:

Supporting Christian minorities in Iraq—from the member for Prospect—60 Petitioners

Relating to up-front student union fees—from the member for Higgins—13 Petitioners

Concerning the Ethiopian people—from the member for Gellibrand—30 Petitioners

Regarding Lantus insulin for diabetics—from the member for Hotham—105 Petitioners

Regarding Lantus insulin for diabetics—from the member for Cowper—290 Petitioners

SPECIAL ADJOURNMENT

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (3.52 pm)—I move:

That the House, at its rising, adjourn until Tuesday, 9 August 2005, 2 p.m., unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting.

Question agreed to.

LEAVE OF ABSENCE

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (3.53 pm)—I move:

That leave of absence be given to every Member of the House of Representatives from the determination of this sitting of the House to the date of its next sitting.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Productivity

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

The failure of the Government’s policies to secure a fair and productive Australia.

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

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

Mr BEAZLEY (Brand—Leader of the Opposition) (3.53 pm)—I rise today because our country is at a crossroads. Our productivity growth has crashed. It is at its lowest level in 19 years. Labour productivity has gone backwards every quarter for the past year. Our share of global services exports
withers and on this government’s watch our share of global exports has shrunk by a third. Growth in exports of advanced manufactures has collapsed, with a growth rate of just two per cent in the last seven years—less than a quarter of the growth rate Labor achieved while in office year after year. Despite record commodity prices adding $40 billion to our national income, we continue to run the highest current account deficit we have ever had.

Of course, the Liberal Party have their excuses. They say the exports are not really such a problem: foreigners lend us the money instead or it is the dollar or terrorism or the world economy—so many excuses and no solutions. The sad fact is we are falling behind our competitors. The Howard-Costello debt truck is now a road train. It has doubled to $425 billion. That is over half the size of our economy and represents $21,000 for every man, woman and child in this country. It is a debt that all Australians are paying. Household debt has doubled over the last five years to almost three-quarters of a trillion dollars. Australian families are now spending 10 per cent of their incomes on interest payments for home loans, personal loans and credit cards. Our interest rates are the second highest in the industrialised world and the OECD predicts they will rise faster next year. As household debt skyrockets, household savings plummet. Household savings have hit record lows that have been negative for two years.

While officially the unemployment rate has fallen, there are as many working age people on government welfare payments as there were in 1996. It is just that 700,000 are now on disability pensions. Another half a million people who have jobs want more work hours. Officially inflation is low, but prices for most essential goods have soared. In the past 12 months health-care costs rose by six per cent, education costs rose by six per cent and petrol prices soared by nine per cent.

The government are not interested in the facts. We know this because they trumpet only one mantra as their solution. They trumpet an old and tired industrial relations dream as their only way forward—as if taking workers’ security away will fix our ports; as if removing the independent umpire will pay foreign debt; as if killing off the rights to organise will train our workers. That is why we are at one of the most important crossroads in our history. Yet, as we head into winter, the only strategy this government have is a radical dismantling of our industrial relations system. If the Prime Minister was not so obsessed by his retro-disco-ideology of dog-eat-dog industrial relations changes, he could spend the winter months reading some of the serious analyses on his proposed industrial relations changes that came out this week from industrial relations experts across this nation. Their research concludes that these changes will not deliver any positive impact on productivity growth, as Mr Howard claims—none. There is no evidence to suggest that they will create jobs, but they will increase the power of employers to force employees onto individual contracts by significantly diminishing employees’ real ability to choose their workplace arrangements. We hear that one of the intentions is to change that Orwellian language about Australian workplace agreements to something else Orwellian—something else to conceal the reality which is not concealed from a cowed and intimidated work force.

These changes will effectively abolish Australia’s safety net of award conditions and minimum wages. They will lead to greater wage inequality and less protection for low-paid workers. The Prime Minister says that there will still be a safety net, but what use is a safety net when it is lying on the floor? The Prime Minister has stepped
dangerously beyond the mandate that he was delivered on 9 October last year. These were not the changes that he took to the Australian people when he was seeking their vote—there was not a word of it. He never told them of his plan for Canberra to seize power over their workplace arrangements. He never told them of his plan to coerce Australians onto individual contracts. He never told them of his plan to strip away from Australian workers the rights that they fought and worked hard for over the past century. He never told them that the reason why he is turning our kids away from TAFE is that he thinks the way to be more competitive is to let minimum wages slide as Australia tries to compete in a low-skill, low-wage race to the bottom with China and India.

In one of the most flagrant abuses of power that we have seen in almost a decade of abuses, we hear that the Prime Minister plans to reach into taxpayers’ pockets to take from them as much as $20 million for a national advertising campaign to sugar-coat his industrial relations agenda. This party political advertising is to be paid for by working Australian families for an offensive attack on their rights and their family lives. This is a government that thinks it can get away with anything. It is a government that abuses the privileges of office to prop itself up, to reward its mates and to indulge its ideological obsessions. We know that, as far as the Prime Minister is concerned, the show is only just beginning. We know that we will be seeing much more of it when we return to this House.

On this side of the House, we are committed to fight for working families and to defend them. And we will fight, too, for labour market reforms that will deliver genuine productivity improvements. The notion that these changes are concerned with productivity is just a great lie. Make no mistake, we need productivity growth in this nation; but it is laughable to hear this government talk about productivity growth when it ignores the significant drivers of productivity. There are three key things to do to lift productivity: you give workers better skills; your workers use better technology; and you make work arrangements more efficient.

Industrial relations laws deal with one of these three issues—workplace arrangements. And 10 years of productivity based enterprise agreements have meant that we have largely removed restrictive work practices from Australian workplaces. For more than 10 years businesses have been changing their employees’ work arrangements and making them more productive, because of Labor’s reforms in the early nineties. Since then, most businesses have been through four or five rounds of enterprise agreements. Frankly, many of them now struggle to find remaining restrictive work practices for future productivity bargaining associated with wage negotiations with their work forces.

Australia needs to focus on the other two drivers of productivity growth: work force skills and new technologies and innovation. The government’s industrial relations agenda is aimed at reducing the cost of labour, not raising the productivity of employees. That is all you have left when you do not have an agenda for productivity improvement. If the Prime Minister does not want to listen to expert advice, perhaps some of his colleagues will be interested. Maybe Senator David Johnston will be interested.

As we heard overnight, he is apparently so deeply concerned about the government’s industrial relations proposals that he said that when it comes to his vote on the floor of the Senate anything is possible. Maybe Senator Eggleston will be interested too. Maybe they will be listening to their own Liberal Party branch in Western Australia, as it opposes the Prime Minister’s plan. The Prime Minister
sent the Minister for Employment and Workplace Relations, who is at the table, to Western Australia to advocate their cause to the Western Australia state conference of the Liberal Party, and they told him exactly what they thought of him and exactly what they thought of his reforms and where precisely he could place them.

Today, another session of parliament closes and we look ahead to a long winter recess. During that recess, this government should take a long, hard look at the road on which the Australian economy is now traveling, because it is heading in the wrong direction. We must change course and we need urgent action. The government could start by reversing the damage it has done to the productive base of our economy, with its cuts to education spending and its failure to build the nation’s infrastructure. The underlying deterioration in the economy’s performance, the widening structural gaps between consumption and production and between imports and exports, the productivity slowdown and the negative savings rate are the legacy of years of weak economic leadership.

While competitors all around us are ploughing more and more of their national resources into skilling up their workers, the government has cut education spending. The Howard government has now turned 270,000 Australians away from TAFE while it has imported 180,000 skilled workers from overseas. Our infrastructure is crumbling. According to the respected business group CEDA, we now have a backlog of $25 billion on infrastructure. That is costing the Australian economy around $6.4 billion every year in lost production. Australia is spending less on innovation than almost any other industrialised nation. Just 56c out of every $100 of national income is being spent on innovation. We must boost productivity and deal with supply constraints with a better strategy for national infrastructure.

The national government has to provide national leadership. We need leadership on infrastructure, to prioritise and facilitate new infrastructure investment from roads and ports to water and energy through to broadband and wireless communications. We need—and the Labor Party will provide it—a serious reform agenda in the areas of post-secondary education skills and training. We need government leadership on national infrastructure through regulatory reform and facilitating investment. We need to foster a dynamic competitive export oriented economy by encouraging innovation and R&D. We need to raise work force participation through reform of the tax and welfare systems to remove disincentives. And we also need to reform Commonwealth-state relations to remove waste, duplication and buck-passing.

At the next election there is going to be a stark choice for Australians to make. We on this side of the House stand for an investment-driven future. The Liberals stand for consumption. We stand for rebuilding Australia; they stand for surfing on the Labor legacy. We stand for dignity and respect in every workplace; they stand for an old ideology and cowering obedience. We stand for again making our universities powerhouses, not profit centres. We stand for building our roads, ports and railways and putting fairness and incentive back into the tax system.

If the Labor Party does not win this fight, this country will wake to an age in which Australians are expected to work until they drop; where older Australians routinely sell their homes to fund retirement; where the government gives up training Australians because importing labour is easier and cheaper; where the cost of tertiary study and training is so high it becomes a private privilege for the ultrawealthy, not the nation’s building blocks; where parents are not at the dinner table because their AWA means their
working hours have been changed at a moment’s notice; where the failed CEO flush with a $10 million payout is greeted with silence from the same government that is trying to suppress minimum wages; where universal health care is something our kids no longer enjoy but study in modern history classes; and where, as we see today, as I said before, the least accountable workplace in the country is the federal government’s.

The opposition have to subject this government to serious, detailed analysis because we are all there is now. We are all there is after the Senate goes into the control of this government. It is the quality of what we do in this place, it is what we stand for in this place and it is the effectiveness with which we hold the government accountable that will determine whether or not there is a genuine functioning democracy in this country. That is our challenge, and that is a challenge that we take up very gladly. Over the next 2½ years we will deal with this government at an intellectual level and at a level of gut feeling in the Australian community, because we stand for the things that will matter to ordinary Australians for a decade out from now, as we did in the 13 years we were in government a decade ago.

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (4.08 pm)—There is one word which will describe the Leader of the Opposition’s contribution today, and that is ‘delusional’. We have a Leader of the Opposition who starts his contribution today by talking about debt, a Leader of the Opposition who was a senior member in the Keating government that ran up the Commonwealth government debt in this country to $96 billion—delusional. When we hear from the Leader of the Opposition about things like debt and unemployment then we ought to look at the record of the Leader of the Opposition. Not only have we largely paid off that Commonwealth debt; but this year’s budget will be the seventh budget that the Treasurer has delivered in surplus—something we did not see very often under the Labor Party. In fact, the debt-servicing ratio in this country has fallen from 13.4 per cent on average for the years in which the Labor Party was in government to 9.7 per cent on average since we have been the government.

The reality is that, when it comes to talking about debt, the Leader of the Opposition has no clothes whatsoever. The reality is that the bluster and the rhetoric that came today from the Leader of the Opposition are simply seeking to disguise Labor’s winter of discontent. It has been a long time in this country at the Commonwealth level since we have seen an opposition in such disarray as it is at the present time after the short period of just six to eight months into a new parliament. This is an opposition that until today is still standing in the way of tax cuts to ordinary Australians, that will not pass through this parliament the legislation to allow tax cuts to flow to all Australians. If it were not for the device of the schedules which are tabled from the Commissioner of Taxation, the Labor Party would be denying to each and every Australian a tax cut from 1 July this year—yet we have this lecture from the Leader of the Opposition about debt and economic responsibility.

Can I remind the House of the Leader of the Opposition’s record when it comes to unemployment, which he alluded to in his speech. In December 1992, Australia’s unemployment rate reached 10.9 per cent—the highest level that this country had seen since the Great Depression. All of us remember the productivity-killing effects of Labor’s policies: a million Australians unemployed. The Leader of the Opposition talks about debt. We can all remember the 17 and 18 per cent interest rates that Australians were paying
under the Labor Party when it was in government—

Mr Cadman—And 21 per cent for business.

Mr ANDREWS—and, as my colleague the member for Mitchell reminds me, the rate of 21 per cent for business at that time. Indeed, in his own biography the Leader of the Opposition admitted:

... I lost a lot of ambition and I stopped straining. I thought there was less capacity to achieve in that portfolio than just about any I have had.

He was talking about his time as the Minister for Employment, Education and Training in the Hawke-Keating government. Indeed, in June 1993 the Leader of the Opposition told the National Press Club: ‘My father said to me when I got the defence portfolio that as a Labor Party politician I had been given the poisoned chalice. I thought then he was wrong and now I really know he was wrong. I have it now.’ That was what he could say about the portfolio of employment, which he held at the time in 1993. And no wonder, because in May 1993 the number of long-term unemployed in Australia—those out of work for a year or more—reached 500,000. When the Leader of the Opposition was the minister for employment, half a million Australians had been unemployed for a year or more. What did he say about this? ‘Where it is now is unacceptable; where it is going is even more unacceptable.’ In other words, he had given up trying to do something about this appalling tragedy of unemployment that was wrought upon the Australian public by the government of which he was a senior member.

He talks today about the growth in the number of people on disability support pensions. Can I remind the House that in 1993 the member for Brand, the current Leader of the Opposition, floated the idea that unemployed people over 55 should no longer be counted as unemployed. In other words, he was so desperate about the high number of people who were unemployed that he wanted to artificially reduce the number of people who were unemployed by simply deleting—wiping out of the statistics—those people who were unemployed who were over the age of 55.

When last in government, the Labor Party used to openly boast about how it had kept wages down, and it is still making this boast. Only in April this year the Leader of the Opposition gloated:

We achieved 13 years of wage restraint under the Accord. The wage share of GDP came down from 60.1 per cent when we took office down to the lowest it had been since 1968. We left office with the wage share of GDP at 55.3 per cent. That allowed corporate profits to rise to record levels in 1984.

This is coming from the so-called defender of the workers in Australia, gloating about how wages had been driven down under 13 years of a Labor government. When people listen to the Leader of the Opposition, they ought to take into account the record that he has in relation to these things before they take much note of what he says about what has been achieved. But there would be some more substance to the Leader of the Opposition’s comments if he were properly and fairly dealing with the record of this government, because what we have done stands in stark contrast to that record of the Labor Party. The fact is that there are 1.6 million extra jobs in Australia today than there were when we came to office in 1996.

A moment ago I quoted from the Leader of the Opposition gloating over the fact that wages had fallen in the 13 years of the Labor Party. What has happened in the nine years since we have been in government? In those nine years real wages in Australia have risen by 14 per cent, compared to just 1.2 per cent in the entire 13 years of the Labor Party in
government, a period in which the Leader of the Opposition was a senior cabinet minister, occupying portfolios within the government such as that of employment.

We have the lowest level of strikes at the moment since records were first kept—at about the time of Gallipoli—in 1913. We have the lowest level of unemployment in 28 years in Australia. The participation rate in April this year was 64.5 per cent, the highest ever and significantly higher than the average recorded under the last seven years of Labor of 63.2 per cent. And the number of long-term unemployed has fallen from the half of a million that I spoke about that the Leader of the Opposition gave us to just 91,000, the lowest level in 19 years. That is still 91,000 more than we would like to see, but it is a far cry from the 500,000 that we had when Labor was in government. Seasonally adjusted teenage unemployment—that is, for people aged 15 to 19—was 63,600 in April of this year, fewer than half of the Labor peak of 133,400 in July 1992.

If any fair-minded person looks at that data, those statistics and this record, they would see that what has been achieved by this government has been a remarkable increase in the prosperity of this country—not just for the nation generally but for each and every Australian. The research undertaken by Ann Harding, the Director of the National Centre for Economic and Social Modelling, indicates that our welfare system has been very successful in redistributing income from the rich to the poor. Indeed, in a NATSEM report entitled Money, money, money—is this a rich man's world? income is shown to have grown across all postal areas. Income in the poorest 10 per cent of postal areas grew by 23.2 per cent, in the richest 10 per cent by 24.2 per cent, while the strongest growth occurred in the upper- to middle-income postal areas, which grew by 28 per cent. The reality is that Australians across the board, in each postcode in this country, have seen the advantages of the management of this economy by the Howard-Costello government. The minimum wage itself has gone up substantially compared to the last two terms of the Labor government.

What is the biggest threat to prosperity in Australia at the present time? It is the Labor Party and its backward-looking policies. It was interesting that even the Sydney Morning Herald, a paper that is not always approving of this government, basically said today that there were no policies of any substance coming forward from the Labor Party: First, there are too few initiatives, policies and ideas and too little rigour and vigour. There is nothing credible with which to brand Labor positively. Second, too many frontbenchers (and for that matter, backbenchers) don’t cut the mustard— a “bunch of dills”, as Robert Ray said of some. Third, Mr Beazley does not have the ticker. That is the judgment today from the editorial writer in the Sydney Morning Herald. The threat from Labor is that they want to simply roll back to the old days, and this has been widely criticised. They want to restore the power to the unions rather than respecting the right of individual employers and employees to enter into arrangements together. They want to undo the enterprise bargaining reforms and to even undo, according to their policy and their platform, some of those reforms which were introduced by the Keating government in 1993.

The problem with Labor is they do not actually know where they stand. On one hand we have this attempt from time to time by the Labor Party to say, ‘All this productivity growth, all the greatness of the Australian economy at the present time, is a result of what we did back in the 1980s and 1990s,’ but when you go to their platform, the one which was adopted at their biennial conference, they want to wind back some of the reforms that even the Keating government
put in place. Which side of the street are they walking on? The problem is they do not know, and the reality is that it is both when you listen to what they have to say.

Even Paul Keating’s former economics adviser, John Edwards, described this platform as one that had the potential to ‘reverse Labor’s own reforms of 1992-94 and reintroduce the worst aspects of the old award system’. He predicted that it would take the industrial relations system backwards. This is one of Paul Keating’s chief advisers saying that the policy that the Labor Party have at the present time is even going to undo the things which they put in place in the early 1990s, yet the Leader of the Opposition says today, as if nothing has happened in the last 10 years, ‘Australia’s great prosperity is because of what we did when we were in government back in the early nineties,’ ignoring of course the million unemployed, ignoring interest rates of 17 per cent, ignoring where inflation was and all the other ills of that time.

Access Economics, who were the ALP’s preferred economic consultants during last year’s election campaign, concluded their report on the ALP’s industrial policies saying this:

Such policies are unlikely to deliver on the four goals espoused by the ALP – high growth, high incomes, low unemployment, and a fairer Australia ... the ALP workplace relations policy platform runs the risk of moving Australia further from those goals.

So what we have from the Leader of the Opposition is this great rhetoric, this bluster, this carry-on that we heard again today, and it all sounds good on the surface and superficially, but when one drills down into their policies the reality is that even those who have some sympathy for the Labor Party— even those who have worked for the Labor Party in the past, those who did the hard yards at the time when the Labor Party actually stood for something—are saying, ‘This mob at the present time stands for nothing, absolutely.’ They do not stand for anything. No wonder the Sydney Morning Herald editorialised the way it did today.

The Australian business community, whether you measure it by the Australian Chamber of Commerce and Industry or the Business Council of Australia or the Australian Industry Group, are those who employ Australians. The Labor Party can say, ‘Oh, that’s just business,’ but of course they are the people who want to grow their businesses, who want more workers and who want this country to thrive. They are dismissed by the Labor Party, but almost every business group in Australia, including the Business Council of Australia—which is made up of the CEOs of the largest companies in Australia all the way through middle and medium size business down to small business—is saying the same thing: the Labor Party’s policies, where they have policies, are backward looking rather than taking us into the future; they want to take us back to the 1970s and 1980s rather than go forward as we need to do to ensure that people in this country not just today but in the future are able to thrive.

The reality is that this is the winter of discontent for the Labor Party. They are simply unable to articulate policies. A political party which cannot articulate policies will be rejected by the Australian people. We are now in the fourth term in which we have seen no policies being articulated by the Labor Party. We have had no sense whatsoever, apart from rhetoric and bluster, once again today from the Leader of the Opposition. His record in this area is appalling. He has nothing positive to say here. Instead of going around the country on his bus, as he plans to do for the next six weeks, he ought to hide himself in a library and start to work on some decent policies that will be for the benefit of the
Mr BRENDAN O’CONNOR (Gorton) (4.23 pm)—What a load of rubbish. The fact is that, apart from a small reference to Shakespeare, the Minister for Employment and Workplace Relations has shown an incapacity to understand effectively the legislation that the government are looking to introduce that will affect every Australian worker. The fact remains that, notwithstanding the comments by the minister, all independent observers have concluded that the changes that are being introduced into this place that will fundamentally alter the landscape of industrial relations in this country will adversely affect ordinary Australian families.

There is no doubt that the minister is blinded by ideology. Indeed, he is not alone. The front bench of this government are blinded. They are blinded by ideology when it comes to industrial relations. We know this; we have known it for years. The lead person that is blinded by these matters, of course, is the Prime Minister. The Prime Minister has been blinkered by his own prejudices in relation to industrial relations. I think we should consider other views rather than the jaundiced view of the minister. The minister spoke fast. If you actually had to count the number of words he put into his contribution and the number of words that mattered, maybe it would say something of his ability to convince us. The reality is that he spoke fast but he spoke loose. He was loose with the truth when it came to what will actually happen in this area.

Labour market experts very recently issued an independent report card on the federal government’s industrial relations plans. We are talking about some very significant experts in the field of industrial relations who do not take a particular Labor or conservative view of industrial matters but have taken a dispassionate view about the proposed changes the government is seeking to introduce in this area. I think we should focus upon those proposals. We should focus upon the actual conclusions reached by researchers, including Professor Ron McCallum, Dr Marian Baird, Professor Russell Lansbury, Professor Mark Bray, Professor Rowena Barrett, Professor David Peetz, Professor Peter Saunders and Dr Patricia Todd amongst others. Their report has indicated:

The rights of employees to bargain collectively will be compromised by government plans to increase the power of employers to force employees onto individual contracts.

The question must be asked: why would you have to force people onto individual contracts if they wanted to enter into individual contracts? AWAs have been around now for almost eight years, since the legislation was introduced into this House and enacted. The fact is that since that time AWAs have not been popular with Australian workers. The proportion of Australian workers that are on Australian workplace agreements is no more than four per cent. Why is it, then, that the government continues to push this type of contract down the throats of Australian workers? Why is it that the government seeks to change the law to force people onto contracts such as these?

We know already that ‘AWA’ is an Orwellian title. AWAs are not Australian, they are not intrinsic to the Australian history of industrial relations, they are not workplace and, I can assure you, Mr Deputy Speaker, they are rarely agreements. We—not the minister who lives in the bubble—know that out there in the real world, at real work-
places, people who enter into Australian workplace agreements are normally forced to do so: ‘Sign this or you don’t get the job.’ That is why this government want to actually remove the rights of employees to complain if they are terminated unfairly. The government want to remove that right because they want to move that one step further. No longer do they just want it to be a case of, ‘Sign this or you don’t get the job.’ The government want to now move that one step further against Australian workers, ordinary working families, and say, ‘Sign this or we’ll sack you, and you won’t be able to do anything about it.’ That is the reality. I am not suggesting there will necessarily be a whole spate of dismissals that will arise because of these laws. It may happen, but I am not going to suggest that it will happen. Let me tell you what will happen. People will be forced to sign AWAs in fear of being sacked.

It is these pernicious, unfair laws that are being introduced by this government that are the reason that so many academics have come together to conclude that the government is being entirely unfair. But it does not stop there. The same report says:

Government proposals will effectively abolish Australia’s safety net of award conditions and minimum wages—leading to greater wage inequality and less protection for low paid workers.

That is a unanimous view of 17 leading industrial relations experts. They go on to say:

Casual work and job insecurity will worsen ...

We already know that, because government and opposition members handed down a parliamentary report indicating how casualised the work force is in this country. Arguably we are the most casualised country in the OECD. This country is now becoming the most casualised in the OECD. Somehow, that is not good enough for this government. If an employer does not have the wit to be able to use the flexibility that is already in the current system, they will need to get some education somewhere. There is a capacity now to employ casual people, part-time people, people on fixed term contracts and permanent part-time and permanent full-time people. There are myriad ways in which an employer can employ people.

What we do not want in this country is to see ordinary Australians precariously employed at their workplace in fear of losing their jobs. The reality is this. People have permanent families; they do not want casual jobs. People have long-term mortgages; they do not want short-term jobs. People want some certainty in their lives, and this government is not giving it to them. This government is failing to have any regard for ordinary workers.

The triumphal sniff this government is getting with the changes that are going to occur on 1 July and the triumphal sniff where it disregards parliamentary committees! The *Sydney Morning Herald* was right when it indicated that this government has no regard for parliamentary committees. Since 1996 there have been very few responses by this government—by the executive—to the parliament, to parliamentary work. That is a very dangerous sign. In 1996, the Prime Minister gave an undertaking that the executive would not run roughshod over the parliament. But we are seeing exactly that. I have not heard anything that will convince me that that will change. Indeed, there is worse to come, it would appear. That sounds procedural and constitutional, and I am not sure whether ordinary Australians are necessarily concerned about the procedures of this place, but the effect is that further legislation that will be introduced into this place and into the Senate will ultimately have adverse impacts on ordinary working Australians. That is my concern, and that is the concern of the Leader of the Opposition and the Labor Party. This government has no regard for
the parliamentary process and no regard for ordinary working families. There has to be some reconsideration, I would hope, amongst some government members.

As I indicated, there were 20 unanimous recommendations of the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation on how we should be dealing with some of the problems. They went to the need to attend to our skill shortages. The same committee went to other fundamental issues. Where we disagreed was on IR. With this minister and the Prime Minister—indeed, all members opposite—what we see here is a government blinded by its own ideology. It is not concerned about the lot of ordinary working Australians and it is not concerned about the fact that people are worried about losing their jobs—indeed, losing their income, with adverse effects upon their families’ livelihoods. There is no concern expressed by government members opposite in regard to that. This government has to wake up to the fact that people are going to feel the adverse effects of these changes in law. Australians will throw these people out. *(Quorum formed)*

Mr CADMAN (Mitchell) (4.33 pm)—The previous speaker, the member for Gorton, made an interesting argument, but what the Australian Labor Party is arguing for is that we go back to the past, put unions in charge and get real wage increases of one per cent over 13 years. Nobody wants that. The Australian worker does not want it. It could be the worst recipe for productivity and healthy and happy families that you could ever devise. The Australian Labor Party seems to think that Australian workers cannot think for themselves and that the only way in which Australian workers can get organised is to have a union to tell them what to do—to hold their hand and tell them how to get organised. Australians are not like that; Australians are individualistic and proud of the way in which they want to do things. *(Quorum formed)*

In 1993 the average wage was $595. Can you imagine what one per cent over 13 years amounted to for anybody working under Labor Party conditions in 1993? It is cents per week gained for the average worker. That is the sort of record the Australian Labor Party has put to the Australian people—and Kim Beazley, the Leader of the Opposition, wants to go back to it. What is the alternative? Since 1996, there has been a 14.1 per cent real increase in wages—that is, inflation plus an increase of 14.1 per cent. It was one per cent over a longer period of time under the ALP.

Just this year 330,000 new jobs were created. Of those jobs, 227,000 were full time. What a record this government has compared with the record of the Australian Labor Party. The participation rate is one of the highest on record at 64.6 per cent. Profits are up, and profits are a good thing because companies want workers. There has never been a time when workers have been in more demand than they are in Australia today. We need workers. We need people. There are jobs for everyone who wants one.

The reform of the past will continue into the future despite the claims of the Australian Labor Party. For instance, from 1 July, 600,000 child-care places will be available throughout Australia. That is a doubling since 1996. There will be 84,000 after-school care places, a budget increase of a huge number just in this year. There will be a 33 per cent increase in family day care. In family tax benefits, 400,000 families will receive an increase of $24 per week on average due to the decisions of this government. That for families alone is an increase of $19.2 billion over five years. There has been an average increase in payments for Australian families
of $7,500. There is a $3,000 maternity payment per child. There is a 30 per cent tax rebate for work related approved child care and support of $76 million for grandparents with primary care of the kids. What a proud record for a government that is a good manager. *(Quorum formed)*

The Australian Labor Party are so desperate to try to raise an issue on industrial relations reform that this week they sent a union organiser to the netball players of Blacktown to tell them that he wanted to address the volunteers in the netball association of Blacktown on the damage this IR legislation will do to volunteer workers working for netball players. That is how desperate they are—absolutely hopeless. *(Time expired)*

**The DEPUTY SPEAKER (Hon. BC Scott)—Order! The discussion is now concluded.**

**LEADER OF THE NATIONALS AND DEPUTY PRIME MINISTER**

**Mr FORREST (Mallee) (4.44 pm)—by leave—**When I began my tribute to John Anderson earlier today I was saying that one of his greatest legacies will be the standard that he has set for the conduct of persons in public office. This is his single most important and greatest attribute and it challenges us all. He has been a man whose contribution to public life has been enormous, and many members have already commented on the details of his credits. My admiration for John Anderson comes because he is a man who publicly shares his faith, and his quality and standard of behaviour come because they are founded on such a very strong faith. I feel a sense of pride in sharing the same faith. In lots of ways—and I think the Prime Minister said this—there is a feeling of sadness in listening to the remarks about John Anderson. They are enormous tributes, and I know that John Anderson and his family have valued the contribution that members from both sides of this place have made.

One of the things that I will always be grateful to John Anderson for, in addition to his many credits, is the way in which he has taken up the great arguments that I have put about the need for the nation to address the most significant and most precious resource of all—and that is water. In some ways it is very sad that the worst drought in a hundred years has compressed the discussion and the debate that has led us to the establishment of a National Water Initiative. There is already a $2 billion fund setting up a pathway for us to address this serious resource issue.

The other thing that I am very pleased about is that John Anderson took up the cudgels to use the piping of the Wimmera-Mallee, which is a very significant water resource project in my own constituency. It is the largest open channel system in the world and a hundred years old. It was quite an engineering achievement of its time but it has long since outlived its usefulness in the sense of the massive amount of water that it wastes. I came to this place as an advocate for that scheme. I have listened to the discussion in my part of Victoria that has been conducted for the last 50 or 60 years for the need to move away from open channels that waste water in such an extravagant way and to have the system piped. I am proud to stand here today and say that, as a result of John Anderson’s very strong support, one-third of that reticulation system is already piped and we now have a commitment to funding, in a joint partnership of the state and the Commonwealth, through the National Water Initiative to complete the whole scheme. Even then it will still be the largest reticulated water supply in the world and will continue to be an engineering achievement.

John Anderson deserves the credit and I am delighted that he will be in my electorate.
tomorrow, in Horsham—sadly, without my presence: as a whip I am able to give other people leave but I have to be conscious of my need to be here being responsible in my parliamentary duties—to sign with the Deputy Premier of Victoria, the Hon. John Thwaites, Victoria’s intergovernment agreement with the Commonwealth. It is recognition of the significant role the Wimmera-Mallee pipeline has played in driving the discussion that it is going to be conducted in Horsham. It is another example of John Anderson’s capacity to share the glory. I have said to him on many occasions: ‘Sign it in Canberra or sign it in Parliament House. You do not necessarily have to come out to my constituency. The important thing is to get the signatures to start the legal process to allow the funds to start rolling through to the construction agency.’ Already it has constructed the first stage of the remaining section and it remains to be opened. It is about to go to tender for another very significant stage. This is a $500 million project to finish it, with $100 million already invested. So it is a $600 million investment in north-west Victoria to save a precious water resource, and I give John Anderson the credit. He will get a rousing reception down there in Horsham tomorrow. I think my constituents will have heard the tributes and the remarks that have been made today and they will be there to welcome him—and so richly he deserves such a welcome.

I noted earlier that the Leader of the House quoted Rudyard Kipling’s famous poem If and I thought that he might have stolen my thunder. It is a wonderful poem about the power of leadership and the best way to conduct it. I was thinking about one of the stanzas in that poem which says:

If you can talk with crowds and keep your virtue,
Or walk with Kings—or lose the common touch ...

And with a series of statements like that the poem completes Kipling’s experience:

And—which is more—you’ll be a Man, my son!
John Anderson is such a man. He deserves the credit he has received today. I have been very proud to share with The Nationals and to be part of John Anderson’s team to serve for him as whip. I am privileged that on many occasions he has chosen to seek solace with me from the frustrations and the pressures that he has had to endure with such a strenuous portfolio and as Deputy Prime Minister as well as leading a significant party in this very strong government. I thank him. He deserves the credit he has received today. It has been an honour to serve with him.

I look forward to further opportunities as he joins us on the back bench at a date that he is going to decide shortly. I talked to Julia, his wife, earlier and the children and I said that I cannot guarantee I can be as generous with leave as I have been because of his role as Deputy Prime Minister. But we will work hard to ensure that John’s many gifts and talents are not wasted on the back bench and I am sure for the balance of the term he will continue to make a valuable contribution.

Mr NEVILLE (Hinkler) (4.51 pm)—by leave—Today is a day of mixed emotions for the National Party. There are several things to it. It is certainly a day of great sadness when you lose a leader. It is a day of celebration of his contribution to the parliament—16-odd years as a member, 12 years in the leadership group—six of them as Deputy Prime Minister and Leader of the National Party—and minister in a number of portfolios, including Agriculture and, more recently, Transport and Regional Services. As many speakers have said today, John Anderson is a person of great values and standards. His driving political motivation is that if you really want to fix things in Australia in the long term you have got to get your policy
settings right, so for him policy development was a very important aspect of his time here. Like the member for Riverina, I at times got frustrated with him because he was the sort of person who would not act until all the ducks in the shooting gallery were lined up, and when they were he would act. Because of that very deliberate way he went about his duties, he sometimes lost the glamour that went with the success. If I have a criticism of John Anderson, it is that he never took ownership of his many successes, and I think today we should take ownership of them on his behalf.

I will give an example of his policy development approach. As a lot of us know, road and rail have got to be brought into some sort of proper alignment, and John recently gave my committee a reference to look at the arterial rail and road systems of Australia and their connectivity to ports and things like inland ports, the efficiency of ports and so on. What goes hand in hand with that is the inland rail from Melbourne through to Brisbane or possibly even as far as Gladstone. John would not move on that until he got the policy settings right. Once he had New South Wales lined up to give a 60-year lease to the Commonwealth and to turn over the tracks to the Commonwealth, then everything started to happen—and happen quickly. We backbenchers get impatient about such things, but ministers who are taking a long-term view have got to get those settings right.

It is equally true of John Anderson that he is a person of strong moral and family convictions. This period of parliament—not any one particular term but over recent years; the last couple of terms—has been a very testing time for people. They have had to re-examine their conscience as to where they stand on matters of life. I am not using that in the emotive sense in which we sometimes use it here—right to life and that sort of thing; I am just talking in the broad. People have had to grapple with abortion, euthanasia and embryonic stem cell research—and no one was ever in any doubt as to where John Anderson stood. I have always thought that if you want to have authority in this place—or anywhere, for that matter—then you must have the moral courage that you are prepared to exercise to go with it. Authority does not come as a right; it is earned, and I think John Anderson has earned that.

We could go back through his whole parliamentary career—and many people have highlighted things from it today—but I certainly know drought has always been at the top of his list because, coming from an area that suffers drought, he knows what that means. He has been one of the proponents, if not the major proponent, of the National Water Initiative. I know that he played a seminal part in the sugar package and, of course, AusLink, which I have just been talking about. As we even heard from opposition members today, if we work AusLink well over the next decade we can make a huge difference to the road and rail systems of Australia.

The Prime Minister spoke generously of John Anderson today. I also know John went through some testing periods. For instance, he was agriculture minister at a very volatile time in rural Australia. There was One Nation on the rise and we had the pork producers in revolt. The Prime Minister spoke earlier today of the link between the coalition partners and their respect for each other. I was in a position to see it tested to its absolute limit. That was not in the cabinet room but on the floor of a public meeting I attended with my colleague the member for Wide Bay at Wandye. The meeting was in an L-shaped room with One Nation down one end, an angry local group in the middle and the pork producers out to the right.

Mr Truss—And the gun lobby.
Mr NEVILLE—Yes, the gun lobby was there too, as the member for Wide Bay reminds me. They were still angry after the Port Arthur decisions. You could not have got a more volatile cocktail. In the middle of this the Prime Minister was talking—he went up to support Warren and, to a lesser extent, Peter Slipper and me. When Warren’s name was mentioned in the context of something, the whole room booed; they booed and booed mercilessly. The Prime Minister said, ‘John Anderson is the best, the finest, the most moral man in my cabinet,’ and they booed again. The Prime Minister then said, ‘I am telling you I don’t care if you don’t like it but John Anderson is the most moral, competent’—and he went through another group of qualifications. He had his hands up—you know what the Prime Minister does when he wants someone’s attention. He has his hands up and then there was dead silence—the second time he did it there was absolute dead silence. I have never seen such an exercise of moral authority in such a volatile situation. I suppose that is symptomatic of the links between the coalition. The Prime Minister spoke of that today, and I can assure you it is just not some theoretical concept; it works both ways.

John Anderson was very generous to me in my electorate. As you know, for much of my time in this place I have held one of the narrowest—and for a period the narrowest—electorates in the country. You always feel vulnerable and you have to make every post a winner when you are working with your constituents, but I never had to encourage John to come into the electorate; it was always a matter of his readiness to be on hand. So we celebrate all those attributes today. We wish him a return to really good health. In conclusion, there have been a lot of quotations today but I do not think I could do better than the quote about Christopher Wren: ‘If you seek his memorial, look around you.’ I think John Anderson can take great pride and feel very satisfied.

Mr PRICE (Chifley) (5.00 pm)—by leave—I would like to make a couple of brief remarks and associate myself with the warm remarks of the Leader of the Opposition, the deputy leader and the member for Batman. I would like to take up one point that the member for Hinkler raised, and that was about John’s going back to the backbench and doing a good job there. At the time that he entered parliament, if my memory is correct, the coalition was in opposition and one of the challenges for the National Party was the spread of committees that people had to serve on. Forgive me for saying that my first impression was that he was not a particularly good committee man because he was hardly ever at the committee. How wrong I was, judging by his subsequent career as a minister, deputy and leader of his party, and Deputy Prime Minister! I think history will judge him kindly, but it is for history to judge the service he has rendered both to the parliament and to his party.

I know John is a devoted family man and I think that every member of parliament, no matter how humble their position, has a terror about whether or not they are a good parent. We all go through that and it is even more relevant when public duty places so many demands on you, as they have on John, and takes you away from the family. As the leader has said, it is a great win for the family that he is going to be able to spend more time with them. I hope that John redeems his reputation, at least in my eyes in terms of committee work, and has a complete record of service to the party. I wish him, his wife and his children well.

Mr BRUCE SCOTT (Maranoa) (5.02 pm)—by leave—Today is a very significant day in the life of the National Party. It is a day of sadness when your leader decides to
step down from leadership of the party. It is a day of sadness because in so many ways we operate as a family. When something happens to the family there is an inevitable sadness that affects all of us. I observed during John’s address to the parliament this morning that there were genuine tears around this parliament. I know that I felt a lump in my throat and my eyes were wet. You often say to yourself in that kind of circumstance, ‘Why does that happen?’ It happens because it is a day of sadness and because we operate as a family and something has happened to change that family. It has been a happy family and through all the difficulties—as any family would have—we always got to the other side.

John Anderson and I share a boundary between our electorates in New South Wales and Queensland. My electorate might extend a bit further east and little further west than his but we came into the parliament at about the same time. He came into parliament through a by-election and I came in in 1990. In fact, John campaigned for me during the 1990 election. I will never forget the day he came to Goondiwindi. He drove up from Gunnedah and we spent the day campaigning in the southern parts of my electorate. He often used to tell stories at his own expense. As he drove back home that night from Goondiwindi to Gunnedah he suddenly saw, in his rear vision mirror, flashing blue lights. He was speeding to get home because he had another commitment that night and I had held him up—as members keen to be elected to this federal parliament are wont to do when they have someone campaigning with them. He says that as he pulled up he thought, ‘Oh dear, I’m going to be in trouble. I just hope I’m not recognised.’ And as he walked back, pulling his paper licence from his wallet, a rather attractive female constable looked him in the eyes and said, ‘Oh dear, Mr Anderson, we are in a bit of a hurry tonight!’ John is the sort of person who can tell such a story about himself. I will not tell you the rest of the story; that is for you to find out when history is written, or perhaps we will read about it in John Anderson’s memoirs.

John and I have very similar electorates. In fact, we often used to lament the fact that our electorates are probably two of only three or four truly rural National Party electorates left in this federal parliament. Many of the seats that our party holds now are coastal seats, with a very changed demographic from what would have existed 10, 20 or 30 years ago. Those electorates certainly have a different demographic from John’s electorate or mine. The largest town in my electorate is about the size of Gunnedah—about 12,000 people. Our electorates are spread over a large geographic area and consist of many communities and shire councils. We often used to discuss the challenges—for the party and for members like us who represent rural constituencies—in representing those people and having some wins for them. We would often be the butt of jokes around this parliament but to us it was like water off a duck’s back. We were sent down here by people from rural Australia and I know that John has always had a great sense of pride and a love of his own electorate, as I think most members have.

I want to talk through some of the things we have been able to achieve since coming to government which have very much been driven by John Anderson. We are in the middle of one of the worst droughts this nation has ever seen, and exceptional circumstances payments have always been an important element of drought relief for which this party will always stand steadfastly and fight. But there is another element of drought relief which is not often spoken of, and that is the Farm Management Deposit Scheme, which has been of significant benefit to hundreds of
farmers and landholders. It was part of the AAA package announced by John Anderson when he was minister for agriculture in our first term of government. The Farm Management Deposit Scheme allows farmers to put away a reserve of money for the bad years without paying tax on it in the good years. When we came to government, that scheme had been gutted by the other side of parliament. We put it back together, only John made sure it was better than in the past. Today that scheme is still helping those farmers who have been able to put cash aside through the worst drought the nation has seen in 100 years. There are significant deposits there. An important element of that scheme is that farmers can put money aside in the good years without having to pay tax on it. There is a lot of money put away in cash reserves to be drawn down when needed, such as in times of drought.

Local government will tell you that Roads to Recovery, which many of us have spoken about today, is one of the biggest issues. They say, ‘Keep the money coming.’ That money goes directly to local councils to be spent on roads that are significant and important to them. It does not go to state governments to be hived off to run their bureaucracies. I know how hard John fought for Roads to Recovery. It is another of the legacies that John leaves to our party, rural Australia and the whole nation.

Improvements in communications have been a long and steady fight which has so often been led by John. Had it not been for John, I think the party might have said, ‘We’ve had enough reviews and we might consider the next phase of the privatisation of Telstra.’ John would listen to the party room and the concerns we would bring from our constituencies. After the Besley inquiry, he was not satisfied that we had delivered on fixing communications in rural Australia. He insisted on another review—the Estens review—which we are still rolling out today. Had it not been for John listening to the concerns of the party room and being able to negotiate with the Prime Minister, we might not have had an additional review. Of course, the improvements in communications since we have come to government have been significant. Whether in the back of my electorate, in John’s electorate, in Birdsville or in some remote community, communications are significantly better than when we came to government.

I know that tomorrow will be a new day, but John Anderson’s contribution to the party will not be forgotten. I admire his legacy and pay tribute to him. John has very strong beliefs and very strong family values. Those family values, which, in a way, he shows openly, reinforce the great policy of the National Party, which is that the family is the cornerstone of any successful community. John has carried that policy and demonstrated it. He has not just spoken about it; he practises it. He reinforces the founding principles of our party.

I thank the House for its indulgence this afternoon. I thank the ministers for giving us leave to complete the testimonials that we all wanted to get on the public record. I wish John well and I wish Julia well. She has been a wonderful first lady for the National Party. I wish John good health and I hope that his lifestyle change in stepping down from the leadership of the National Party will help his health. I look forward to seeing him on the back bench because I know that, so often, the real fights are won on the back bench. We need strength on the back bench to keep those on the front bench on the right track. Well done, John. We salute you.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (5.12 pm)—by leave—After listening to the mem-
member for Maranoa, I almost feel it is right-of-reply time for members who occupy the front bench in this place. Nevertheless, I welcome the opportunity to associate myself completely with the remarks made by members on both sides of the chamber. I do not come from a rural constituency—quite the opposite. I am a city based Liberal Party member and I am proud to represent the federal seat of Moreton. In an indirect sense, my first dealings with John Anderson were through my in-laws, who lived in Wee Waa in the electorate of Gwydir. I remember their excitement at the time with the bright young bloke who was replacing Ralph Hunt as the member for Gwydir. I think we can reflect on the fact that Deputy Prime Minister John Anderson has certainly realised the potential that people in that area saw in him.

I remember in the 1991-92 period the difficulty of explaining the then opposition’s reform packages built around the Fightback project, which articulated a way ahead for Australia, which obviously, in so many ways, has been consistently adhered to whilst we have been in government but which, from opposition, was difficult to explain. I remember that at the Wee Waa Golf Club matters were settled down in a very engaging, direct and down-to-earth way by this bright young bloke who happened to be the member for Gwydir. So I had heard a lot about this fellow from afar, and it has been an enormous honour to be elected to this place and serve alongside John Anderson as part of the Howard government since 1996.

Not wanting to damage his reputation within our coalition partner’s history, John Anderson did come to my electorate on a number of occasions. The first occasion was, I think, at the invitation of Nationals Senator Ron Boswell and was unbeknownst to me, which is of course a cardinal sin in the government party rooms. I will put him as having gone to the Brisbane Markets at the invitation of Ron Boswell, so we have dealt with that matter now that it is on the public record.

I was delighted that he took up the opportunity to engage very completely with my local community, as indeed the Prime Minister has on a number of occasions, on a core issue built around his portfolio responsibilities—that is, the Brisbane urban corridor. The fact that a man with responsibility for setting in train the internodal operatives of a national transport strategy could still spend the time to come and directly see for himself what I as a private member, and now as a minister, had been on about for years is a credit to John Anderson. B-double trucks are using this Brisbane urban corridor through Kessels Road and Mount Gravatt-Capalaba Road, going past people’s letterboxes. It was an idea set up by federal Labor and state Labor in the early 1990s—and how pathetically bad it is. John Anderson took the time to drive the route to understand completely. I know that the member for Bonner, Mr Vasta, would agree with me that having John Anderson see for himself the impact upon homes along Mount Gravatt-Capalaba Road at Wishart was in itself a fantastic investment by a man who cares about his coalition partner colleagues as well as his own National Party colleagues, whom I know he would have been enormously proud to have led.

The Royal Queensland Aero Club in my electorate would have a range of views about John Anderson’s time as transport minister, because of the savage amount of close work that had to be done on air safety and general aviation and the complexities of that. Interestingly, for the record, the former President of the Royal Queensland Aero Club at Archerfield Air-

CHAMBER
port, John Anderson, and so many others who worked hard to get the detail right on aviation safety and the cost structures that underpin it were constantly in my ear. The John Anderson whom we are reflecting upon today, to his enormous credit, made it possible for us to express those views and to get them across to him.

I want to say rather loudly, proudly and very publicly a thankyou to John, Julia and their family. As I remarked to Julia and John’s kids earlier today, ‘Thanks for lending us your father. He’s returned with enormous thanks.’ I think one mark of enormous success for whatever time any of us happen to spend in this place is the opportunity to choose your own time for departure. Whether any of us will ever be afforded similar political eulogies time shall tell. We should delight in the close, detailed and effective service this man has brought to all parts of Australia, not just in the strong work he has done in rural and regional Australia—as the members of his own party, the Prime Minister and the Leader of the Opposition have reflected upon—but also in areas such as the one I represent.

I do not want to presume the deliberations of the inner sanctum of The Nationals party room later in the day, but I would say that Minister Vaile is no stranger to my area either. Should he be appointed to the position to replace John Anderson, in a pro tempore sense I guess, for the short term, I know that we will have good service for the electorate of Moreton and we will be seeing someone who is no stranger to our area put to work for our area, not simply for his own or indeed for the broad ministerial responsibility he has.

Mr Deputy Speaker Scott, I know that you as the member for Maranoa spoke very rightly and proudly of your electoral neighbour and the work that he did for you. I simply want to associate myself with your remarks and with those of others in the sense of saying thank you to Gentleman John for the work he has done for me and, indeed, for all Australia.

Mr WAKELIN (Grey) (5.19 pm)—by leave—I too wish to very briefly associate myself with the remarks attributed to the great career of John Anderson, Deputy Prime Minister. As chairman of his backbench for, I think, all the time that he was Deputy Prime Minister and having shared with his office some of the challenges and joys, and I suppose now and again the odd defeat, I feel it is appropriate to say a few words.

I go back to a thing called the Regional Summit, when in those early years John drew together all of rural and regional Australia. He had a very thorough, long-term look at what was important, what people were thinking about and what people wanted from government. There was one exciting evening when the Prime Minister was our guest at the dinner which was the culmination of the event and he announced the additional money to allow the Alice to Darwin railway to occur. That is a part of John Anderson which I think Paul Neville, the member for Hinkler, commented on earlier. That is where I would like to sing the praises of John Anderson, because he was not a man to sing them of himself.

We have heard a bit about water. Mr Deputy Speaker Scott, you spoke about farm management deposits, an issue that is very close to my own heart. We had Malcolm Fraser with income equalisation deposits, and then we had Peter Walsh, who as Minister for Finance on the other side took a very strong set against this alleged rort and basically wrote them out of existence. The Farm Management Deposit Scheme of John Anderson and the coalition executive is now an integral part of drought management and the finan-
cial management of the Australian agricultural sector.

In rural and regional Australia, John Anderson, Tim Fischer and John Howard are giants of being able to work together, and with those of us with various responsibilities across this country, to reignite the spirit of rural Australia. You do not realise what it takes to do that until you start to put something back. I have never forgotten going to the opening of the rural transaction centre at Port Broughton in my electorate. I thought this was a modest contribution to the community, but people came from all over South Australia because this was the first time in many years that a federal government had said, ‘We want to put something back and create a much more positive outlook for rural Australia.’ That is part of John’s legacy.

In conclusion, John Anderson opened my first and best electorate office, in Whyalla. There is still a plaque there signifying that the Deputy Prime Minister opened the office in around 1998. We had the green and the blue—at appropriately, I suppose, in the red town of Whyalla!—and there we all were, celebrating this new era. I will never forget John Anderson for that, and I acknowledge it again tonight. On a personal note, I know that my wife would like to be associated with my remarks. As far as the Parliamentary Partners Association is concerned, Julia Anderson was an integral part of all of our lives, as was John Anderson. John Anderson, thank you very much.

STATUTE LAW REVISION BILL 2005

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (5.25 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

MAIN COMMITTEE

Condolence: His Holiness Pope John Paul II

The DEPUTY SPEAKER (Hon. BC Scott)—I have to report that the motion to take note of the copy of the condolence motion moved by the Prime Minister in relation to the death of His Holiness Pope John Paul II has been debated in the Main Committee and is returned to the House. I present a certified copy of the document. I understand it is the wish of the House to consider the matter immediately. The question is that the document be noted.

Question agreed to.

Condolence: Hon. Sir Johannes (Joh) Bjelke-Petersen KCMG

The DEPUTY SPEAKER (Hon. BC Scott)—I have to report that the motion to take note of the copy of the condolence motion moved by the Deputy Prime Minister in relation to the death of the Hon. Sir Johannes Bjelke-Petersen, KCMG, has been debated in the Main Committee and is returned to the House. I present a certified copy of the document. I understand it is the wish of the House to consider the matter immediately. The question is that the document be noted.

Question agreed to.

Condolence: Hon. Albert (Al) Jaime Grassby AM

The DEPUTY SPEAKER (Hon. BC Scott)—I have to report that the motion to take note of the copy of the condolence mo-
tion moved by the Prime Minister in relation to the death of the Hon. Albert Jaime Grassby, AM, has been debated in the Main Committee and is returned to the House. I present a certified copy of the document. I understand it is the wish of the House to consider the matter immediately. The question is that the document be noted.

Question agreed to.

COMMITTEES

Members’ Interests Committee

Report

Mr CIOBO (Moncrieff) (5.27 pm)—As required by resolutions of the House, I present copies of notifications of alterations of interests and statements of registrable interests received during the period 10 February to 22 June 2005.

Publications Committee

Report

Mrs DRAPER (Makin) (5.27 pm)—I present the report from the Publications Committee sitting in conference with the Publications Committee of the Senate. Copies of the report are being placed on the table.


FISHERIES LEGISLATION AMENDMENT (INTERNATIONAL OBLIGATIONS AND OTHER MATTERS) BILL 2005

Second Reading

Debate resumed.

Mr GAVAN O’CONNOR (Corio) (5.28 pm)—The main purpose of the Fisheries Legislation Amendment (International Obligations and Other Matters) Bill 2005 is to give effect to Australia’s obligations under the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean. Labor will be supporting this legisla-

The WCPFC is a treaty between South Pacific coastal states and the distant water fishing nations that fish in the western and central Pacific Ocean. It was ratified on 22 September 2003. It establishes a commission to manage and conserve highly migratory fish stocks such as tuna and billfish in the region. Ratification was unanimously recommended by the Joint Standing Committee on Treaties.

To date 16 nations have ratified the WCPFC, including three of the so-called ‘distant water fishing nations’—China, Korea and Taiwan. The other three ‘distant water fishing nations’—the United States, Japan and the European Union—have signed but not ratified the treaty. However, the United States and the European Union are members of the Fish Stocks Agreement and, as a result, cannot fish for the species covered by the WCPFC unless they comply with its measures.

The key provisions of the WCPFC include a range of conservation measures that must be applied within Australia’s exclusive economic zone and a set of similar obligations on Australian flagged vessels operating in WCPFC waters outside of Australia’s fishing zone. Australian flagged vessels operating in WCPFC waters outside Australia’s fishing zone will have to be fitted with satellite-positioning equipment and must be prepared to carry regional observers.

The WCPFC introduces a requirement to enforce a range of conservation and management measures and maintains an effective monitoring and surveillance regime. Where it is alleged that Australian nationals have violated the WCPFC, Australia will have an obligation to provide details about them to the WCPFC and relevant member nations. Where there is sufficient evidence to show that an Australian flagged vessel has engaged in unauthorised fishing, Australia is obliged
to take appropriate action. If a serious violation is proven, Australia is obliged to ensure the vessel ceases fishing until all sanctions are complied with. Australia must collect and share fishing information and research results and it is required to apply the precautionary principle.

The provisions of the bill are broadly consistent with existing Australian fisheries legislation, especially the Fisheries Management Act. The legislation has the support of bodies representing the Australian commercial fishing industries, as well as most state governments. However, representatives of the recreational fishing industry in Western Australia—the honourable member for Cowan, who is at the table, and Mr Deputy Speaker Wilkie are strong supporters of the fishing industry in Western Australia—have expressed some concerns about the possible impact of the treaty and this enabling legislation on the activities of their members. This is because of an existing arrangement in Western Australia whereby only recreational fishers may land certain fish species in that state, and commercial fishers who catch those fish species are not able to bring them ashore in Western Australia.

Unfortunately, it is simply not possible to treat Western Australia differently from other states in this matter, and the treaty and this piece of Commonwealth legislation will override the Western Australian law. The concerns of Western Australian recreational fishers are noted but they must understand that, once Australia signed up to this treaty, all Australians and all states have to be treated in the same way.

It is of some concern that there was a drafting error, which the Parliamentary Library picked up, in relation to the definition of a ‘serious violation’. New section 87FC(5)(a) seems at odds with new sections 105H and 105I in deeming whether the commission of a serious violation requires the use of ‘a boat for fishing’ or not. The government has been forced to move amendments in the Senate to correct its own drafting error, and we will of course be supporting those amendments here.

Items 15 to 21 of the bill deal with an entirely different and separate fisheries matter, unrelated to the WCPFC. These items implement a recommendation of the Commonwealth Fisheries Policy Review to remove all reference to the ballot system for the creation or allocation of fishing rights. Auction or tender processes provide market based mechanisms for valuing access rights to new fisheries resources, while balloting does not. This provision is supported by industry groups.

Labor strongly supports the use of international treaties as one way of tackling the problem of illegal fishing and of protecting vulnerable and endangered fish stocks. Unfortunately, signatories to a piece of paper do not necessarily always guarantee compliance or cooperation in these matters. We had the disturbing reports only last month of a number of Japanese registered vessels apparently fishing for patagonian toothfish in and near waters controlled by the Convention for the Conservation of Antarctic Marine Living Resources, the so-called CCAMLR treaty.

The Australian patrol vessel, the Ocean Viking, spotted four of these vessels fishing near CCAMLR waters, and at least one vessel within the CCAMLR zone. Investigations showed that this vessel was not licensed by the Japanese government to fish within CCAMLR waters. It is of great concern that, despite the fact that Japan is a signatory to the CCAMLR treaty, the Japanese government refused permission for authorities to board and inspect the vessel. Of course, it may be that the Japanese government will itself eventually take some sort of action
against the captain and owners of the vessel, and I sincerely hope that this happens. But the point I am making is that the mere existence of a treaty did not in this case lead to the sort of cooperation between nations that is necessary if we are to make real inroads into illegal fishing in our waters.

International treaties are important, but on their own and without a real spirit of cooperation between the signatories they are not particularly effective. And the situation is much worse when you start to consider the impact on fish stocks of the activities of fleets registered in flags of convenience nations. Back in March there were reports that Australian patrols had spotted six such vessels pirating patagonian toothfish in the waters I mentioned previously. At least four of the boats were fishing in an area that CCAMLR had completely closed to fishing to protect seriously endangered fish species. But because the vessels were registered in Togo and Georgia, which are not signatories to CCAMLR, there was not a thing the Australian patrol could do about them.

Labor has long argued that it is time the international community started taking the issues associated with the use of flags of convenience vessels much more seriously with regard to international illegal fishing. I am pleased that the Minister for Fisheries, Forestry and Conservation, Senator Ian Macdonald, concurs with Labor’s view. Labor will be supporting this legislation with the amendments the government moved in the Senate to correct the drafting error.

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (5.37 pm)—I thank the honourable member for Corio for his contribution to the debate. This is one of those rare occasions when I can say I agree with everything that he said. We certainly share a concern about illegal and unreported fishing and a desire to have better regulatory control over some of the issues of illegal fishing that so commonly appear in our headlines these days. I thank him also for supporting the Fisheries Legislation Amendment (International Obligations and Other Matters) Bill 2005—a bill which contains a number of important amendments to the Commonwealth fisheries legislation.

The main purpose of the bill is to implement the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean. The bill and the government amendments moved in the Senate will implement Australia’s international obligations under the convention and will also support the WCPFC’s efforts to manage highly migratory fish stocks. These fish stocks are important to Australia and it is important they are managed in a sustainable way.

The bill also addresses a matter which the Howard-Anderson government takes very seriously. Australia will not tolerate illegal, unreported and unregulated fishing in Australian or international waters. The proposed amendments will give Australia greater capacity to disclose information about suspected illegal foreign fishing activities to foreign governments and intergovernmental organisations. This will assist in the global fight against IUU fishing and allow Australia to be actively involved in stamping out this criminal behaviour. The bill will also extend the existing infringement notice scheme to foreign boats found illegally fishing in Australian waters as an additional penalty and deterrent for such illegal activity. The bill also provides a number of other amendments that will enhance the Fisheries Management Act 1991 and strengthen our domestic fisheries management arrangements. I commend the bill to the House.

Question agreed to.

Bill read a second time.
Third Reading

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (5.40 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

AUSTRALIAN TECHNICAL COLLEGES (FLEXIBILITY IN ACHIEVING AUSTRALIA’S SKILLS NEEDS) BILL 2005

Second Reading

Debate resumed from 20 June, on motion by Mr Hardgrave:

That this bill be now read a second time.

upon which Ms Macklin 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:

(1) creating a skills crisis through its continued failure to provide the necessary opportunities during their nine long years in office for Australians to get the training they need to get a decent job and meet the skills needs of the economy;

(2) failing to train enough Australians in areas of skill shortage and relying on skilled migration;

(3) exacerbating this crisis by failing to introduce Budget measures to train more Australians now, including Labor’s Trade Completion Bonus for traditional apprentices;

(4) making Australian business wait until 2010 for the Technical Colleges to produce their first qualified tradesperson;

(5) failing to double the number of school-based traditional apprentices and provide extra funding to support schools in taking up the places;

(6) failing to further invest in our world-class school and TAFE systems to create opportunities for young Australians to access high quality vocational education and training at all schools, not just 24 Australian Technical Colleges;

(7) its uncooperative and hostile attitude towards the States and Territories in establishing these Colleges, despite the central role the States and Territories will play in any successful operation;

(8) failing to provide new support to other regions that also have high youth unemployment, an industry base and skill shortages, but are not listed for a Technical College; and

(9) inappropriately using vocational education and training as a vehicle through which to drive their ideological industrial relations agenda which bears no relation to successful student outcomes”.

Ms BURKE (Chisholm) (5.40 pm)—I rise to talk on the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005. At a time when a skills crisis is gripping Australia and threatening our economy, the Howard government should be looking at ways in which it can reverse the damage it has done to skills training in this country. The crisis has not sprung up overnight. The fact is that the Howard government has consistently neglected skills training since it came to office. It has been asleep at the wheel, sedated by a cocktail of complacency and arrogance, ignoring all warning signs of the dangers ahead. At present, 40 per cent of people who start a new apprenticeship will not complete their training, and most of the growth in apprenticeship completion that has occurred has been in areas where there are no skill shortages.

We keep needing to remind people of this wonderful new apprenticeship and what it means. Nine times out of 10 it is skills training. While I do not want to knock that, they are not apprenticeships. It is not the four-year hard slog where you get a ticket at the end of the day. I have a fantastic inner-east group training centre within my region. I often pre-
sent their end of year completions when students are getting certificates. What worries me is that, while I hand out certificates to many people who have completed new apprenticeships, there are fewer and fewer people who come along who have completed what I would refer to as a real apprenticeship with a trade certificate.

The Howard government’s record on TAFEs is nothing to be proud of. Since 1998, more than 270,000 Australians have been turned away from TAFEs. Those are people who have qualified and could have got in. The result is a skills crisis of alarming proportions—a crisis costing this country around $833 million. That $833 million could have been spent on creating 300,000 TAFE places Australia wide.

I know that the Box Hill Institute in my electorate—an institution that has been rewarded and recognised time and time again—would benefit vastly from just a fraction of that number of places. Currently, Box Hill TAFE are relying on extra money from the state government to provide for preapprenticeship training. This is vital in that it gives students an example of what they are getting themselves into. If someone completes a preapprenticeship, they will more than likely complete their apprenticeship because they have a realisation of what they are getting themselves into. So Box Hill TAFE have taken on these students and this preapprenticeship training thanks to the goodness of the Victorian state government, and these apprentices all have places of work to go to if they get through this preapprenticeship training.

In contrast, the Howard government has a record of neglect in the TAFE sector, and this legislation is just another example. Rather than investing in our existing TAFE colleges, the government has decided to waste millions of dollars through duplication. Even the member for Page would agree with me. According to the Northern Star newspaper, he believes that new technical colleges in his electorate should be scrapped because it is duplication and that the funds would be better spent at the Wollongbar TAFE. I could not agree more. The money would be better spent where it is most needed—in our TAFE colleges. What a shame that none of the $343.6 million appropriated to these 24 new technical colleges can go to the Box Hill TAFE in my electorate or the Holmesglen TAFE just across the border in the Treasurer’s electorate. I know that the Box Hill TAFE could use these funds to improve infrastructure and resources and provide more places for people of my electorate but, instead, Box Hill TAFE will miss out.

While the government invests $343.6 million over the next five years into the Australian technical colleges, it has offered no new significant funding for the Commonwealth-State Training Funding Agreement, which covers TAFEs. In fact, if it was not for pressure from Labor, the Minister for Education, Science and Training would have cut funding to our TAFEs. In fact, if it was not for pressure from Labor, the Minister for Education, Science and Training would have cut funding to TAFE colleges. Last month he was in the embarrassing situation of having to delete a section of the skilling Australian work force legislation that would have required state and federal governments to cut TAFE funding. That is right: the OECD, the Reserve Bank and the Australian Industry Group are warning that the skills crisis could cripple Australia’s economy, and this government wants to cut funding to our TAFEs. The education minister eventually bowed to pressure and agreed to Labor’s amendment scrapping the requirement to provide capacity for TAFE institutions to develop entrepreneurial and commercially oriented business plans that would enable the government to reduce funding.

While I find that interesting on many levels, I also hark back to the numerous times
the minister for education gets up in this place—he did it again in question time today—and lambasts various courses at institutions. He has particularly picked on the Box Hill TAFE for offering a belly dancing course. Of course, what he does not go on to say is that that is a short course that is fully paid for by the students who attend it; it is not taking any money out of the federal or state coffers. He also does not realise that numerous people doing these very interesting short courses have not been in an educational setting for a long time. The courses are a fantastic way to ease these people back into other educational streams. They help them realise that they are not too old, not too out of it or not too silly to go back to training and education. There is an incredible take-up rate of people who do short courses and go on to longer courses—in many cases converting those to degrees. We should be proud that there is an entrepreneurial skill in our TAFE sector, and the minister should realise that every time he gets up and does this there is a little network of TAFEs out there taking great offence at being belittled by this minister.

But the question with this legislation is: how will these new Australian technical colleges fix the skills crisis? We will not know for quite some time. The government has promised that these colleges will be in operation by 2008. I do not know whether this is a core promise or a non-core promise, but even if the colleges are in operation on schedule we will not see a single additional qualified tradesperson until 2010. I think everybody in my electorate knows that I am currently trying to fix my front fence, because everybody keeps asking about it. I would have liked to have had my front fence fixed many months ago, but I cannot get a tradesperson. The latest debacle is that now we have removed the front fence we have need a plumber. That is okay, but now we have to wait three more weeks for the plumber to turn up. I cannot wait until 2010 for my front fence or the entire electorate is going to get sick and tired of the disaster that is my front yard.

Unfortunately, the business cycle crying for skilled workers cannot wait either. According to last month’s skilled vacancy figures from the Department of Employment and Workplace Relations, skilled vacancies in the electrical and electronic trades were up by 13.8 per cent over the last 12 months; vacancies in the metal trades were up by 4.4 per cent in the same period; vacancies in printing were up 9.9 per cent; vacancies for chefs were up 2.5 per cent; and skilled vacancies in the professions were up 6.3 per cent over the past 12 months, including a 15.1 per cent increase in health vacancies. In the associated professions—medical, scientific and technical officers—vacancies were up 36.7 per cent in the same period. The skills crisis is hurting Australian businesses. It is putting upward pressure on inflation and interest rates, and it is also hurting the Australian public. But you would not know we have a crisis on our hands from the complacency and the neglectful behaviour of the Howard government. Its response to the crisis is a policy that will not produce an additional qualified tradesperson for another five years. Indeed the bulk of newly qualified tradespeople will only emerge from 2011 or 2012. In the meantime the coalition has promised a bandaid solution of importing skilled labour. Clearly this is an embarrassing admission from the government that its inaction has been the key contributor to this crisis.

And now we hear of a backbench briefing that reveals that the technical colleges will not operate as outlined in the government’s election policy. This is on top of the broken promise of no student fees, of the $2.3 million funding cuts in the first three years and
of their pulling out of the public tendering process. I have had discussions with numerous people because one of these colleges is proposed for the region comprising my electorate and the electorate of the Parliamentary Secretary to the Treasurer at the table today. It probably will not end up in my electorate, but that is beside the point. It will probably end up further east, over into the Liberal quarter of the eastern suburbs of Melbourne. But there have been many discussions and Box Hill TAFE has been invited and involved in those, as have other education providers in my area. They all come away from these meetings saying, ‘Nobody really knows what’s going on.’ Every time they go to a meeting they get more confused about what is required. Every time they say, ‘Will we put in the tender and expressions of interest?’ they get a new set of requirements, a new list of issues and a new list of demands. They have gotten so confused that a lot of the TAFEs in the area are saying, ‘It is all too confusing; we are pulling out.’ That is quite tragic because it is only with those sets of skills that these things will get off the ground.

Lately the government has been indicating via these briefings that it would like business to take the lead in some of these colleges. That is all well and good, but I am not sure how many businesses are going to be interested in becoming registered schools—trying to find teachers and all the other complexities of that. The policy has been a disaster from day one. Pull the bill, give the money to TAFEs and let us get on with training some people.

The Howard government is no friend of the Australian worker. Labor is concerned that the government may take its tired old ideological crusade against industrial relations into these new Australian technical colleges, just as it has done to our TAFEs and universities.

I did not get the opportunity to speak last week on the Skilling Australia’s Workforce Bill 2005 because the government in its arrogance gagged Labor’s debate. I was looking forward to participating in that debate because I wanted to criticise the fact that our Prime Minister is holding our TAFE colleges to ransom, threatening to withhold 30 per cent—or around 1.2 billion dollars—of funding unless every single staffer is offered an Australian workplace agreement: a clear attempt to force a lower standard of working conditions onto employees. This, of course, will do nothing to improve the provision of skills training—it is just another politically motivated attack from the government. This legislation again plans to force lower working conditions onto the staff of Australian technical colleges by including industrial inflexibility—the coalition would call it flexibility—specifically, provisions for AWAs and performance pay.

Labor believes in investing in vocational education and training to fix the skills crisis, but let us invest in our schools and our TAFEs. Already there is too much taxpayers’ money wasted on duplication in this country. Labor’s proposed $2,000 trade completion bonus would encourage traditional apprentices to complete their traineeships. We would provide extra funding for schools that offered school based traditional apprenticeships. Our trade completion bonus would give traditional apprentices a $1,000 payment halfway through their training and a further $1,000 payment at the completion of their apprenticeship. This would lift the apprenticeship completion rate by one-third—from around 60 per cent to 80 per cent. That would result in more than an extra 8,000 trained apprentices in our workplaces each year. It is time for the Howard government to wake up behind the steering wheel and decide where it is driving this country—into the future or onto the rocks.
The skills crisis is real, it is urgent, and we cannot afford to be complacent. The costs are simply too great. We cannot wait five years for someone to complete an apprenticeship. Already, as I say, in my region we have the No. 1 TAFE, recognised as such last year in the Victorian state awards—Box Hill TAFE. Give them the money. If you do not feel like giving it to Box Hill TAFE, why not give it to the Box Hill Senior Secondary College, which is an innovative school? It is a school very much like the ones in this bill, because it already exists. It already has the bricks and mortar and the staff. It has a years 11 and 12 program. It has a fantastic, innovative program where kids do lots of VET subjects. They even have courses in basketball, football and tennis. While you might scoff at that and say it is silly, there is a huge responsibility in training our elite athletes in sport while they stay in school, and that is what Box Hill Senior Secondary College is doing. It offers a great drama and arts program; it also offers traditional VCE subjects.

It is there, it exists and it produces outcomes already. Why not look at that model and fund it? We do not have to wait for 2010 to see a result from that school; they are already producing results now. This is just a silly, ideological stunt by the government harking back to the fifties when we had trade colleges. I did not like to see the demise of the good old Geordie Tech in my neck of the woods, where the Geordie boys came from, just near my home. It is now a housing estate, sadly, thanks to the wonderful institution that is Jeff Kennett when he decided that all our schools had to amalgamate. There is a beautiful housing estate next door to my mother’s house. TAFE colleges went; they were amalgamated into state schools. We cannot go back to the fifties. We are now into the 21st century. Let us fund our TAFEs appropriately and get more skilled tradespersons who are needed now.

Ms HALL (Shortland) (5.55 pm) — The Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005 provides for the establishment and operation of Australian technical colleges. These are the colleges that the government promised during the election. It was a promise made on the run, poorly thought through, lacking details and a knee-jerk reaction with lack of consultation. The legislation that we are discussing now is at variance with what was originally promised by the Prime Minister during the election campaign.

Some of the changes that have come about since the Prime Minister originally announced his proposal to establish these technical colleges include his promise that there be no student fees. He has already broken that promise and we see that he has a plan whereby students will be required to pay student fees. He is cutting the funding in the first three years by $33.3 million and pulling out of the public tendering process. We on this side of the House all know that we should not expect transparency and we should not expect the Howard government to be accountable. Guess what? They have not disappointed us when it comes to this piece of legislation. On this side of the House, we have learnt that you never believe what the Howard government says, particularly the Minister for Education, Science and Training. Rather, you read the fine print and you always discover that it is a bit different to the rhetoric that is being delivered.

The people in the Shortland electorate, whom I represent in this parliament, would like to undertake trade apprenticeship training. For a very long time our area has had a history of being involved in industry and a number of people leaving school have aspirations to undertake apprenticeship training. Unfortunately, it has been harder and harder for those young people to obtain the training that they would desperately like to under-
take. It is very disappointing when you hear the rhetoric. The government talks about providing opportunities for young people to undertake training in the apprenticeship area, but then you look back to its actions in 1996 when it slashed the funding to TAFEs. When you look at the area that I represent in this parliament, you see that there is a high level of youth unemployment, yet in Australia we have an enormous skill shortage.

This skill shortage is very well documented. In the last parliament, I was on the Standing Committee on Employment and Workplace Relations, now the Standing Committee on Employment, Workplace Relations and Workforce Participation. An inquiry was completed, with a report titled: Working for Australia’s future: increasing participation in the workforce. Evidence given to that inquiry overwhelmingly depicted the fact that there is a massive skill shortage within Australia. We heard from DEWR. They gave us information on how they monitored the skill shortage. We asked questions about how the demand for skilled labour had not been matched by the supply of it. Every organisation that presented evidence to the committee, be it an employer, a union or even an individual, talked about the fact that a skill shortage existed within Australia.

The committee made two recommendations in relation to addressing the skill shortages that existed. One was that educational bodies should expand programs to maximise the uptake of apprenticeships in areas of skill shortages and ensure that the training is relevant to the apprentices, the business and industry. There is a vehicle to do that, a vehicle that exists already. There is a vehicle that is ready, willing and able to take up the slack—the TAFE colleges that exist here in Australia. This government has continually under-funded those TAFE colleges. Now it is setting up the Australian technical colleges. It is important that I say that, although we see that there are some weaknesses in this and we believe that the minister has not been entirely honest with us or with the people of Australia, we will not be preventing the establishment of these colleges. The other recommendation in relation to skills was that the Australian government establish as a priority a dedicated cross-portfolio approach to developing long-term strategies, including a series of new funded programs and defined outcomes to address the national skill shortage.

What have we had from this government? What have we had from the minister? Just reactive, on-the-run policies. We have the Australian technical colleges legislation we have before us tonight, legislation that was announced during the election, without details, by the Prime Minister when he felt that things were getting a bit sticky. He thought: ‘What can I do to address the skill shortages? Do I say that we are going to invest more money in vocational education, in the systems that already exist, or do I say that we are going to come up with some new idea—something that is not founded on consultation or good, sound research?’ It was reactive and it sounded good. The Prime Minister thought he would make an announcement. There was no thought about the process until after the election.

I do not think that is good policy. I do not think that is the way you develop policy. When you look at what this legislation is promising to address—the skill shortage—you see that not a single new tradesperson will come through this system, will hit the ground, until 2010. And that does not cover it all. Some colleges will not have apprentices trained and on the ground until after that date. I believe that this legislation is quite flawed. The government has not thought it through properly.
I turn to the legislation. In doing so, I will talk a bit about the proposal. The government is proposing 24 colleges. It is not envisaged that the colleges will be operational until 2007-08. The successful proposals to open colleges will be announced in 2006. We could hardly accuse the government of rushing through this proposal. The colleges will accommodate up to 3,000 year 11 and year 12 students. There will be a total of 720 students when the colleges are fully operational. And remember that that is when they are fully operational—not until 2008.

The legislation also provides for a funding agreement between the government and the colleges. The funding agreements depend on conditions. Once again, there is the fine writing. We have really learned that we cannot trust the Howard government. We must know what the fine print says. The colleges must be registered as schools under the state and territory legislation and accredited to deliver school certificates and higher school certificates. The colleges must be run as registered training organisations and have formal links with an RTO to deliver accredited training under the national training package qualifications.

The bill appropriates funding of nearly $344 million over five years. Although in both the second reading speech and the explanatory memorandum the government indicated that the conditions of funding will include industrial flexibility, specifically provisions for Australian workplace agreements, this is not spelt out.

Belmont TAFE within my own electorate have contacted me about this piece of legislation and have expressed their concern about this part of it. They have stated that they are very concerned about the impact this will have on their conditions and on their ability to develop and deliver the quality education to their students that they believe is so important. They take great pride in their work and they believe that they should work together as a unit. They should be working for the benefit of the students and they believe the introduction of AWAs is not necessarily the best way to achieve that. They are also concerned about the fact that the college principals will have the responsibility for the employment of staff. Whilst it will be overseen by an industry led government authority, they still have serious concerns about how that will impact on their security of employment and their ability to deliver that quality education that they pride themselves on.

Other areas that I believe are quite contentious are the areas that I touched on before. I will go into a little more detail about the autonomy of the principal of each Australian technical college to manage the college, to select the best staff and to meet the targets and performance measures set out by the government. This will create enormous problems across the sector. It will create problems within the institutions and I believe that it is not the best way to develop that team approach within the college. There is not the transparency that is needed. I am most concerned about it. The legislation states:

... encouraging an environment of freedom and reward for effort for the staff of Australian Technical Colleges through flexible employment arrangements which provide rewards linked to excellent performance.

Time and time again we have seen this government try to undermine workers. I see this as being just another step down that path. I do not believe that this government has any commitment to workers, to the mums and dads who provide food for their children. Workers, the teachers in TAFE colleges, are people just like you and me. They are people who have to provide for their families; they are people who are dedicated to their jobs. What this does is create an environment of
dissatisfaction within the workplace and a situation where teachers, instead of working together as a team, are working in a very insecure environment worrying about their security and where the institution is going.

Another area that worries me is that part of the legislation that allows the Minister for Education, Science and Training to determine eligibility criteria for funding and to withhold funds if these are not met. It allows the minister to make payments notwithstanding eligibility criteria not being met. Basically, this says the minister can do whatever he likes. I do not think that is transparency and I am not prepared to trust this minister because I do not believe this minister really has his mind focused on what is the best outcome. Rather, I feel he is driven by some ideology and philosophy that I do not quite understand.

Unfortunately, the government has an agenda, I believe, to change the landscape in Australia. There is no person more committed to bringing about this change than the minister for education. I believe he is committed to a form of social engineering. He is the minister who, day after day, stands here and lectures this parliament on the wish of the people. He states that he knows what the police, the nurses, the bus drivers and the labourers want: they do not want to send their children to university; rather, they want their children to work in trades. Many of those people do want their children to work in trades and the best way to do that is to properly fund the TAFE colleges that are already operational.

But I have news for the minister for education: some people whom I mentioned previously would like their children to go to university. That is okay. They should be allowed to do that. The minister may be surprised to learn that some doctors would like their children to be able to undertake training in trades. I think the minister’s philosophy is that if you come from a trades background then you should aspire to work in a trade; if you are the child of a doctor you should aspire to be a doctor. He has a very limited vision for Australia, one that is based on his vision of what the world should be: the world according to the minister for education, Minister Nelson—a brave new world where a person’s occupation and role in life is determined by their birth.

I have news for the minister: there are many sons and daughters who would like to gain apprenticeships and they need an apprenticeship system that delivers the best opportunities for them and for other young people like them to gain the skills they need. What is required is a properly funded TAFE system and employers who are prepared to train apprentices. I am still to be convinced that the investment in Australian technical colleges as outlined in this legislation will deliver the best outcome to Australia and to Australians—remembering that the best outcome for Australia is a highly skilled workforce.

I am not convinced that this legislation will increase the overall skill level within our country. I am not convinced that it is the best and most efficient way for young people to choose to train as apprentices. I am not convinced that it will provide the best training option for young people. I am not convinced that it is not a duplication and I am not convinced that this legislation is not based on the ideological pursuit of this government’s industrial relations agenda. Any legislation that relates to the training of young people should be driven by one thing and one thing alone: what is best for them and what is best for the nation.

Mr ANDREN (Calare) (6.15 pm)—Like the skilling Australia bills which actually dismantle the Australian National Training
Authority, this Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005 purports to be about addressing Australia’s skills shortages. These bills are supposed to do this not by increasing funding towards the existing TAFE college system, not by investing more support for existing school based VET programs, but by setting up a parallel—an alternative—system through Australian technical colleges. There are estimated shortages of about 130,000 skilled workers in the next five years and a current shortage of about 21,000, especially in essential trades. The government is spending through this process $343.6 million to support consortiums of up to 24 Australian technical colleges across Australia in areas identified as having particular skills shortages and high unemployment rates. They will provide a maximum of 7,200 places for students and will not be online for five years, hardly addressing a skills shortage that by any judgment we are experiencing to a great degree now—as I said, a 21,000 shortage right here and now.

There is no model for how these colleges will operate but they will all be run by a principal appointed by a college governing council which must consist of the local business community and be chaired by a local business or industry representative. Although these colleges may be based on existing schools, registered training organisations like TAFEs and universities, they must be separate institutions with their own identifiable student body. In order to receive funding, the colleges must also comply with the government’s own industrial relations agenda by offering AWAs. This all sounds so familiar. The skilling Australia bill attaches this condition to TAFE funding too. Principals will be appointed by the governing council and will receive attractive working conditions, and performance pay will be offered to all staff. These ATCs will be specialist schools run by local industry where years 11 and 12 students study for the HSC and will start school based certificate III new apprenticeships. As with existing school based new apprenticeships, this requires an enormous commitment from the students, given that they are also expected to be working part time in the industry as well. The colleges will also need to fulfil state requirements to be registered as schools and must be registered training organisations so that the students’ academic and training qualifications are recognised for university entrance and count towards trade qualifications.

Again, the catchcry that this will offer flexibility in skills training runs through the whole reasoning behind these colleges. But school based new apprenticeships already are delivered through partnerships with local industry, schools and training providers in some 95 per cent of New South Wales schools. Indeed, TAFE and the senior schools in the Orange area, and the CSU, formerly the Orange campus of Sydney university, have for several years now been examining a model for a school, TAFE and university process that will, in the existing system, deliver something along the very lines that has been suggested here. But, more importantly, you are not duplicating the system; you are working with the system that is already in place.

The way that the new apprenticeships are to be delivered also varies under this new model according to different local settings, with some that are enterprise driven with larger businesses taking care of organisational matters, or school driven where schools pool and share resources, or where group training organisations take the lead in recruiting and coordinating the program. Dubbo is one of the areas identified as needing an ATC to deliver training in heavy vehicles. What the minister does not seem to realise is that a partnership between local in-
dustry, local schools and the Western Institute of TAFE is already running a well-established and successful model where the number of apprenticeships in heavy motor vehicles has grown from a total of nine five years ago to the current 120 apprenticeships. I understand that that same partnership has applied for this new college funding to somehow supplement the existing program. I am told that TAFE can provide the required outcomes under its existing structure for a fraction of the cost of a new federal college. It just needs more core funding to do the job, which has been the cry of TAFE for some years now. From my investigations I believe that the Western Institute of TAFE can easily provide the required outcomes for something like one-seventh of the cost of setting up a whole new college. So it begs the question: why go down this route? It seems to be wasteful of scarce educational resources in the tertiary sector. It is worth noting that other partnerships between the Western Institute of TAFE and other local players currently see some 400 school students accessing VET subjects that count towards VET certificates in more than 30 courses, from child studies to the beautician trade and from agriculture to automotive, as I have pointed out.

You also have to remember that schools themselves already deliver some VET subjects that also count towards the HSC university admission index score. Speaking of which, how will public schools fare when existing numbers of years 11 and 12 students are spread even more thinly to the ATCs in regional Australia, where many of these colleges are to be situated? How much public funding for TAFEs and for public schools will be forced away from an already stretched system into what essentially becomes an equivalent private system? How will this affect existing students in the public system and their access to quality resources and a broader range of subjects?

The colleges to be established by the legislation will receive capital and other additional funding of some $289 million ‘in recognition’, according to the Bills Digest, ‘of the high cost of specialised vocational training’. Why is this not being recognised in funding to the existing TAFE structure? Why is this not being recognised within the existing framework? Or does this only apply to private facilities that deliver to 7,200 students? How on earth do these ATCs address future skill shortages if industry continues to support casualisation of the work force and minimises its own investment in certificate III and IV apprenticeships? This bill promises little to fill the gaping hole in apprenticeships left by the privatisation and outsourcing of public utilities and agencies, a hole I alluded to during the earlier debate on the skilling legislation—for instance, the former huge Wallerawang power station apprenticeships school is but a distant memory.

What this bill and the skilling Australia bill do achieve is a duplication—a very expensive duplication—and a further impoverishing of an existing framework that is available to all. That duplication forces scarce public funds and resources away from public schools and public TAFEs. From what I can see, it still does not provide any guaranteed jobs or apprenticeships for the students at the end of their studies. And it undermines the very thing that is so necessary to meeting the future needs of the country: a whole-of-community approach, with strong partnerships between all stakeholders, not only industry groups and state and federal governments, whatever their political complexion down the track, but also schools—public and private—training organisations and those groups who represent the rights of the students and the staff, who are, after all, among the main players in the equation: the unions.
and staff associations. Yes, they are vital, and why should anyone be apologetic about that with a government seemingly hell bent on dealing organised labour out of the industrial relations equation for the tertiary education sector?

It seems incredibly simplistic that funneling even more public money into private facilities at the expense of public education and training will somehow strengthen our training system and our meeting of future skill needs. The idea of increasing competition for scarce resources and funds is not about partnerships and working together. As with the skilling Australia bill, I believe the setting up of Australian technical colleges will do little for Australia’s skill shortages, but it will further divide the system. It seems to be based on some political objectives rather than on any broad vision of the real need for trade training.

I have looked at the opposition’s second reading amendment. While I would look for more substantive amendments and while I certainly do not normally support second reading amendments—because they are a view of the world as it might be under a different set of circumstances and do not go any way towards constructive adjustment of legislation—I do agree with the majority of the sentiments expressed therein. I only wish that the energy, planning and resources being directed into this duplicated college process could be directed into the existing TAFE system, where it rightly belongs.

Sitting suspended from 6.26 pm to 8.30 pm

Mr NEVILLE (Hinkler) (8.30 pm)—The Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005 addresses one of Australia’s most pressing problems—that of skills shortages in a number of traditional trades. For decades we have focused on the importance of tertiary education, telling our young people that university education is the key to a bright future. While for many it is, we must remember that 70 per cent of our students do not go to university. Rather, they make their way into the work force via apprenticeships, traineeships, junior office positions, hospitality, the retail sector and rural enterprise. In essence, there has been a prejudice against apprenticeships in blue collar trades.

For the sake of our nation-building industries, we need to replace that prejudice with pride in the skills and entrepreneurship that comes with having a recognised trade. We need to make it more attractive for people to go into skilled trades. Let us face it, a lot of these trades now require competencies unheard of in the past. Those who have trade qualifications are now finding themselves in demand as never before. Once upon a time, an electrician would have perhaps started his working life in a small country town and more than likely he would have stayed there until his retirement. Nowadays, trade qualified electricians, diesel mechanics or boilermakers might find themselves working in an Indonesian goldmine for one year and be based in the Middle East the next year, earning top dollars.

In our global economic environment there is very strong demand for qualified, experienced tradespeople. This is why it is important that the Australian government reviews the landscape of apprenticeships and our national skills base to ensure that they are in balance. We need to take into account movements in employment and unemployment. We need to ensure that our domestic skills base is robust enough to keep our manufacturing industry globally competitive. And we need to provide more opportunity for Australians seeking trade skills.

Against that background the coalition government has looked at the landscape of
our skills trade sector and is taking action to overcome the obvious areas of shortage. We know that skill shortages occur for a variety of reasons, such as a strong economy with low rates of unemployment; growth of new industries, with few ready skilled tradespeople available; and the relocation of industries into different regions with different skills bases. I note the member for Capricornia is in the House tonight. We both have this problem in our central Queensland electorates. An example of what is causing shortages is the boom in the mining industry. Companies are seeking to meet the demand of the huge resources boom in Asia. The mining companies, and the companies supplying the mining companies, in Central Queensland—and in the Bowen Basin in particular—come into Rockhampton, Gladstone and places like those and offer young tradespeople $50 an hour for as many hours as they want to work. It is very big money. And while it is great for the mining industry, it denudes cities like Rockhampton and Gladstone.

Other factors, such as industry slumps, rapid changes in technology and the physical location of project based work, also have an impact. We will see another change in Central Queensland when the lower Bowen Basin opens up in the area west of Moura, Theodore and down into the Dawson Valley. As a grassroots MP, I have seen the resurgence of apprenticeships and trade training under the coalition government but growing demand from the resources and building sectors and the other areas I have just mentioned, means that we have more to do.

I spent over a decade on a group apprenticeship scheme board. We saw the increase in trade numbers where young people might do three or four months with one plumber and then go to another and another. Some people did not—and do not—like that; on the other hand, it gives a young apprentice a range of experiences in working with different types of employer.

The coalition has put Labor to shame in terms of creating new apprenticeships and training opportunities. Under the last Labor regime apprenticeship numbers fell to a 30-year low and the number of new apprentices training in the traditional trades plummeted from nearly 170,000 in 1990 to 107,000 in 1994. Since the coalition came to office in 1996 the number of new apprentices in training nationally has almost tripled. In Hinkler alone, the number of new apprentices in training has grown from 1,500 in 1996 to upwards of 2,600 today. The number of women apprenticeships in Hinkler is even more impressive. In 1996 there were only 320 women in apprenticeships. By the end of last year this had grown to 820—a 156 per cent increase. Nationally, commencement in the trades and related new apprenticeships grew by 19 per cent in the 12 months to September 2004, and now we have around 148,500 new apprentices training in the trades. We are continuing our commitment to vocational training and technical education with a record $10.1 billion dedicated to the sector over the next four years.

My electorate of Hinkler is leading the way in creating more vocational training opportunities, particularly for young people. In school based apprenticeships we are already seeing positive results from the right mix of theory—classroom based learning—and practical training in the work place. An example of this is the Gladstone Schools Engineering Skills Centre, which was piloted in 2003 by Gladstone’s Toolooa State High School in partnership with the operator of the Gladstone powerhouse—NRG—and the Australian National Training Authority. It is one of the most dynamic school based training programs I have come across. Under this scheme, students in years 11 and 12 are offered unique training and learning experi-
ences at the centre itself, which is located at the Gladstone powerhouse. The centre mirrors the expectations, ethics, safety standards and discipline of a modern engineering and manufacturing workplace. The kids get the feeling that they are at work from day one. It provides students with an ideal environment in which to develop their theoretical and practical skills using industry-standard machinery and equipment. They have both education department and trade teachers.

The most significant thing is that the graduates from this course emerge with a Certificate I in Engineering (Manufacturing)—bear in mind that these are years 11 and 12 kids—and are ready for a smooth transition to the work force as an apprentice or trainee in the engineering trades. The centre has enjoyed support from the private sector and the wider Gladstone community. Two years on, Gladstone’s public schools have come on board to offer this training to their own students. The results to date have been simply outstanding. Ninety per cent of year 12 students applying for apprenticeships in the engineering trades were indentured. Even better, while the majority of year 11 students elected to continue their studies to the end of year 12, 40 per cent of those who applied for apprenticeships and traineeships have been indentured while they are still in year 11. That is quite exceptional.

This is just one example of how contemporary prevocational training gives employers confidence that their apprentices are up to the job. Further evidence is the fact that the number of businesses participating in the work placement program has grown by 20 per cent in the last 12 months. Local private schools are now interested in joining the program. The success of the program is quite obvious: it was a finalist in this year’s Queensland Training Awards.

With help from the Australian government, Gladstone Area Group Apprentices Ltd, GAGAL, is also doing its utmost to produce world-class tradesmen. The group currently employs 500 apprentices, which is not insubstantial, and it also has trainees. It services the shires of Banana, Miriam Vale and Calliope and the city of Gladstone. It offers a comprehensive range of services to both apprentices and local businesses. Unlike industry-specific groups, GAGAL covers around 20 trade classifications and some 26 trainee classifications, including rural, business, retail and horticultural. It also offers an accelerated adult apprenticeship program for people with experience as labourers and trade assistants. That is very important. One of the things we have to do is pick up people who are probably very good unskilled tradesmen and tradeswomen and take them through an accelerated learning program towards a full apprenticeship. These apprenticeships are offered in metal fabrication, carpentry, tiling, fitting and turning, and diesel fitting. Participants complete their apprenticeships in anything from one year to two years, compared with the normal four years. In the past year, GAGAL has received two grants totalling $85,000 under Regional Partnerships to purchase new training equipment and expand their training infrastructure.

Even better, Tannum Sands State High School and Boyne Smelters are working together on developing an innovative new business and information skills centre of excellence for the Gladstone region. Although this project is still in the development stage, it has received strong support from local business and industry, with $250,000 already committed from the Comalco Community Benefit Fund. The centre will be located on the top floor of the Boyne smelter. The big executive suites it is taking over are about the size of a small classroom, so very few
structural modifications will be required to turn this into a classroom environment. The students will experience working in a real business enterprise as well as learning IT skills. Students will be inducted like any other Boyne smelter employee and will graduate from the centre with a recognised qualification such as a certificate III in business or IT.

The beauty of this project is that it will provide local businesses and industry with a steady employment stream, while also raising the skills base of the Gladstone region. Most of these students will not strictly be apprentices, but they will be doing a parallel course at the business level. School principal Ray Johnston—a great innovator—teachers Wayne Hay and Norm Thompson; Mike Dunstan from the Boyne Smelter; local business leaders Di Brown and Matt Bond; and the Tannum/Boyne/Benaraby Chamber of Commerce have been right behind this project. Even though the project is still in its infancy, we need to maintain focus and see it through to its completion so that it can parallel what is already happening at Toolooa.

I am disappointed that there has not been a greater commitment from ANTA. I intend to pursue that with ANTA and the body which will replace it in the new financial year. The reason I have raised all these things is that they are examples of local communities getting behind the coalition’s vision for vocational education. This brings me to the subject of the bill: the establishment of Australian technical colleges around this country. Through this bill, the Australian government is taking a new approach to attracting more young Australians into traditional trades and thereby meet industry demand. For example, when the Coomalco smelter was being built they needed 2,000 skilled and unskilled tradespeople, a huge number. Now that the smelter is running, they have 400 permanent employees, which in itself is quite important.

Once established, the college will provide training for up to 300 local students, as well as academic and vocational education to stu-

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tudents still completing their school studies. That is an important aspect: it is not just pinching kids out of school and rocketing them into an accelerated apprenticeship. It is three things: it gets the student to grade 11 and 12; it gets them through their pre-vocational training; and it starts them in a real, live workplace environment while doing three or four academic subjects. So at the end of grade 12 students will have two avenues open to them: (1) they can go straight into a trade, and they get to that through an accelerated apprenticeship; (2) if they find after they have done their apprenticeship that they have an urge to get further skills, they will have the academic grade 12 to attempt certificate, diploma and degree courses. In short, it will give graduates an all-round education which can take them anywhere.

Perhaps the most crucial part of developing these colleges is that they will be community driven, ensuring that the skills and training being offered are directly relevant to the needs of the local business community. I very much welcomed the visit of Minister Hardgrave to Gladstone. We had a very good public meeting at which we met with one of the then potential proponents. We had wide community support. Of course, the finer details of the establishment of the colleges are still to be worked through, but I think the most important point is that local industry and the community will play a leadership role in the development and day-to-day running of these new technical colleges. This means that the skills and training offered at the colleges are directly relevant to the requirements of local industries and businesses. They will meet the gap in demand that we have all recognised in this country. I say that in the most bipartisan way because there is no point being political about this. We have to get on and solve the problem.

We have seen in Gladstone in particular that, even before these technical colleges have commenced, the community has started some very innovative schemes. I am delighted to be part of it. I am delighted that part of my electorate was selected for this. I do not believe that it was done on any political grounds. Gladstone is a city that has earned this in its own right, but you can be sure that it will have my utmost support. I commend the bill to the House.

Ms CORCORAN (Isaacs) (8.49 pm)—

The purpose of the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005 is to implement the government’s election commitment to establish Australian technical colleges for years 11 and 12 students in 24 regions in Australia. The election promise was in reaction to the ever-increasing cries from industry for more skilled workers—a cry which has been largely ignored for years and which is not being attended to properly even now. The explanatory memorandum states:

The Bill secures supplementary funding to support the Australian Technical College initiative. Appropriations totalling $343.6 million over five years will provide for the allocation of funds to the Colleges to support infrastructure development as well as the additional costs associated with the delivery of the specialised services that the Colleges will provide. The Bill is complementary to the Schools Assistance (Learning Together-Achievement Through Choice and Opportunity) Act 2004 through which the Colleges may receive general recurrent grant funding, in addition to the supplementary funding.

I intend to support this bill, but it is with some reservation that I do this. It is very clear that Australia is suffering from a serious shortage of workers with particular skills, and the establishment of these colleges will probably help train more people but it is taking the long way around the problem. I am reluctant in my support of this bill because I do not see it as a sensible way of tackling the problem. I have reservations because, firstly, it seems to me that better
funding of existing TAFEs makes more sense; secondly, there are unanswered ques-
tions about fees to students of these new col-
leges; and, thirdly, I have questions about the rules concerning the make-up of the boards
of these ATCs.

I hear on a regular basis from businesses
in my electorate about shortages of skilled
workers. A business I visited a few weeks
ago told me that their skilled workers were
relatively old and planning on retirement—in
the next few months in one case, and a year
in another. These businesses want skilled
workers now, not in a few years. I regard it
as shameful that this situation even exists.
We have known about this problem for some
years now. We have the means to address it
but the government has allowed the situation
to worsen and has shown no interest to date
in fixing it.

It is not just businesses in my electorate
making the point about a shortage of skilled
workers. The Department of Employment
and Workplace Relations issues a skilled
vacancies index, which shows that shortages
are getting worse. The index shows that
shortages in the electrical and electronic
trades increased by 1.6 per cent in May and
by 10.3 per cent over the last 12 months; skil-
lled vacancies in the metal trades in-
creased by 3.4 per cent over the last 12
months; and vacancies for chefs increased by
1.3 per cent over the same period.

The government cannot ignore its role in
creating these shortages. This government
removed $240 million from the VET sector
This was followed by the 1998-2000 ANTA
agreement, which abolished growth funding
altogether and froze funding to the sector for
the following three years. These funding cuts
and the subsequent freeze have meant that
more and more TAFE colleges have had to
close some of their training facilities, putting
teachers and students under pressure, and
have threatened the quality of training and
skills development in this country.

Since 1998 we have turned away 270,000
students from TAFE. These are students who
are interested in developing trade skills and
have ability in these areas. Instead of training
these students, we have imported skilled
tradesmen from overseas. Some 178,000
skilled migrants have come into this country
since 1998. This does not make sense to me.
On a different level, we hear about a short-
age of doctors—a problem that is being ad-
ressed by importing doctors from overseas.
Many of these doctors are coming from na-
tions that are in dire need of all the profes-
sionals they can hold onto. It seems quite
idiotic for a nation of our resources to under-
fund universities so that we cannot train the
doctors that we need and have to pinch them
from developing countries.

The same principle applies to other trades.
It is really short-sighted of us to refuse to
train our own people and instead import
trained people from overseas. TAFE colleges
already have established infrastructure, cur-
ricula and administrative systems in place.
TAFEs are willing to take on more students,
yet they are repeatedly being hamstrung by
underfunding. Surely the more sensible and
expedient approach would be to invest in the
expansion and adequate funding of the TAFE
system. The same principle applies to uni-
versities. We are turning people away from
university courses, wasting our human re-
sources by denying good students training
and then wondering why we have this skills
shortage. Now we have this notion of new
technical colleges. These colleges will not
turn out any graduates for some years; we
could put more money into TAFEs and have
a much faster return. Of course, it goes with-
out saying that we could have been doing
this properly over the last few years and not
had this problem.
The government has claimed credit for a big growth in the number of people undertaking training in the New Apprenticeships scheme—a scheme consisting of both apprenticeships and traineeships. Traineeships were introduced in the 1980s to cope with demand in the new and growing non-trade industries. Unfortunately, recently the growth in new apprenticeships has been almost entirely in traineeships, with about nine per cent of the growth for apprenticeships in traditional areas in the period 1996 to 2003.

One way of objectively assessing the level of skilled workers is by using the training rate measure. This is the ratio of apprentices in training to employed persons in an occupation. It serves as a measure of the extent to which occupations are being reproduced through training. The National Centre for Vocational Education Research has assessed the training rate for traditional apprentices between 1996 and 2002 as being relatively stable at between nine and 10 per cent, with the exception of mechanical and fabrication engineering.

However, another study, conducted by the University of Western Sydney in 2003, took a longer-term view and compared the training rates in the period 1974 to 1993 with the training rates in the period 1993 to 2001. The study found a significant and sustained fall in the training rate between these two periods. The annual apprentice training rate between 1974 and 1992 averaged 12.4 per cent compared with only 10.6 per cent from 1993 to 2001. For the same periods the study found significant variations across occupations, with metal, electrical and construction apprenticeships experiencing large declines and others having smaller declines and one group in particular, the food group, experiencing considerable growth. A study conducted in 2004 by the Australian Council of Trade Unions estimated a shortage of about 130,000 skilled workers over the next five years.

Compounding the problem of a lack of traditional apprenticeships is the growing number of apprentices who do not complete their training. This has now blown out to about 40 per cent. Labor recently announced a policy of paying $1,000 tax free to apprentices when they complete half their training and then another $1,000, again tax free, when they complete their training. This incentive would go some way towards encouraging and helping apprentices to complete their training. The ALP has also announced plans to increase the number of apprentices by offering a skill shortage loading for school based apprentices in trade apprenticeships. The additional funding would be $1,750 per student apprentice and would help schools build their capacity to offer school based apprenticeships. These are both good steps which would quickly address the need to train more apprentices.

One of my reservations in supporting this bill is about funding. The bill sets aside $343.6 million over five years—2005 to 2009—for 24 colleges in 24 areas around Australia. This boils down to $2.8 million per college per year, assuming all 24 of these colleges get started in 2006, which we already know will not happen. The education department’s website has lots of information about ATCs, including a section on funding. The website says:

The Australian Technical Colleges will be registered schools and therefore will receive the general recurrent funding which the Australian Government provides to schools. The Australian Government will fund each student at a College at the same rate as existing government and non-government secondary school students.

In addition to the student funding which it would normally provide, the Australian Government will provide $350 million over the period to 2005/2009 for the Colleges. This funding is provided in recognition of the high cost of special-
ised vocational training and the additional capital and ongoing costs that will be incurred in establishing and operating the Colleges. It will be provided on the basis of need. Legislation to appropriate this funding will be introduced to Parliament in 2005.

Employers of School-based New Apprentices attending the Colleges may also attract employer incentives, including the special incentives to commence and retain School-based New Apprentices. To be eligible for these incentives the School-based New Apprentice must be enrolled as a secondary student under the relevant State or Territory Education Act.

Contributions to the running of the Colleges will also be sought from the employers, including in-kind contributions.

Mr Deputy Speaker, you will have noticed that the web site talks about $350 million while this bill talks about $343.6 million. It seems that we have lost $6½ million somewhere along the line. Perhaps that can be explained by the minister when he sums up the debate. It seems that this money is for infrastructure costs and not ongoing recurrent funding—that is fairly clear. I will come back to the recurrent funding issue in a few minutes. It is not at all clear to me how this $350 million or $343.6 million is going to be allocated to the regions or to the new colleges.

It is becoming clear that these colleges will be started at different times—some possibly starting next year and others not until 2007. Maybe some will start even later. Again, according to the web site:

The funding allocated to successful proposals will be on the basis of need and will depend on the educational model, the mix of existing and new infrastructure, location and other relevant factors as detailed in the Request For Proposal.

This is a bit loose and I wonder how it will work out, given that applications for ATCs are coming in now and will be dealt with over a long period. How will the government allocate these funds sensibly, given the long time lines and, presumably, the need to approve some applications before all applications are even received, much less assessed? Does this mean that later applications will be assessed partly on how much money is left in the kitty, or will overruns or even underruns be entertained? The issue of recurrent funding is interesting too. The web site explains:

... the Australian Government will fund each student at a College at the same rate as existing government and non-government secondary school students.

Elsewhere, the web site explains the current system of funding non-government schools—the notorious SES system—and that, if an existing non-government school establishes a new subsidiary Australian technical college campus, that campus will be funded at the same SES level of the main school. Again, this is a bit muddled. On one hand we read that ATCs will be funded by applying the SES formula—that is, each school is funded according to where their students live. On the other hand we read that, where an existing school establishes an ATC, that new ATC will be funded according to the parent school’s SES score. I would appreciate it if the minister, in his summing up at the end of this debate, could clarify this.

It seems to me that we have a few options: will the new ATC be funded on an ongoing basis according to the SES score of the existing non-government school before the ATC was established; will the new ATC eventually be funded according to the SES of students of the new ATC; or will the funding of the parent school be adjusted to reflect the SES of students at the new ATC? Related to this is my concern about the fees that may be, and probably will be, charged at these new colleges. It is clear that fees are able to be charged, and I am interested in hearing about the steps the government plans to take to ensure that the ATCs are accessible to all, regardless of ability to pay.
I also want to talk about some apparent contradictions in the government’s information about these new colleges. The web site states:

The Colleges will work with rather than duplicate existing institutions at the school and TAFE level.

However, in another part of the web site, a rather long statement is made about the independence of these colleges. I would like to quote that, but it goes on for a bit so I apologise in advance. The web site states:

The Colleges will differ from current schools and TAFEs in that the Colleges will provide students with the opportunity to pursue trades training, leading to a nationally accredited qualification, as well as complete their senior secondary education. It is expected that students at the Colleges will have the opportunity to commence a School-based New Apprenticeship. The Australian Technical Colleges will operate autonomously, with a governing body chaired by a local business or industry representative and involving local communities. They will offer performance pay and must offer the option of an Australian Workplace Agreement to all staff in accordance with the Workplace Relations Act 1996.

There is no single model for their operation and the Australian Government will not prescribe the design of each College. There will, however, be certain governance, administrative, curriculum and learning outcome requirements which each College must meet.

Colleges must be registered as schools according to the government requirements of the State or Territory in which they are located. They may be based on existing government or non-government schools or a new school may be established but would need to become registered in the relevant State or Territory. Colleges must either be Registered Training Organisations themselves or must have links with Registered Training Organisations to ensure the provision of vocational education and training.

Colleges should where possible use or modify existing premises and infrastructure in the region. Colleges could also operate on a multi-campus basis with the main campus being located at the identified site, and a ‘satellite’ campus nearby.

The final paragraph of the web site says:

To ensure that the quality and success of the Colleges contributes to lifting community perceptions of the status and value of trade training, Colleges will be clearly identifiable and ‘badged’ as Australian Technical Colleges, with participating students formally enrolled in the Colleges. College governing bodies and principals will need to establish a distinct Australian Technical College culture and ethos.

From all of that, it seems to me that the government is taking great pains to see that the ATCs are being established as stand-alone colleges and that the government is particularly keen to make the point that they are not TAFEs. That is in contrast with this idea of not duplicating TAFEs. It is pretty clear to me that there is a big risk that these colleges will be duplicating the work that TAFEs are doing right now and that TAFEs would be doing more if they were adequately funded.

I am interested in the situation which may arise where a new ATC is based on an existing school and how the application of the condition of AWAs is managed for ATC staff with the existing arrangements. Is this a backdoor way of forcing all staff, including existing staff, onto AWAs? I also want to question the rationale for insisting that the board of the new ATCs be headed up by someone from industry—or, to put it another way, that anyone not from industry, however that is defined, including educationalists, is to be excluded from heading up an ATC. I would be interested to hear the rationale for this decision.

In summary, there is no question that there is a shortage of skilled workers in Australia. This shortage has come about, certainly in part, by the deliberate actions of the current government in cutting funding for TAFEs and ignoring the mix of trainee and apprenticeship places available in the New Appren-
ticeships scheme. It seems absurd to me that, whilst we have TAFE colleges prepared and willing to take on students but simply lack the funding to do so, this proposal is considered the best way of addressing a lot of these shortages. The same principle applies to universities. We are turning away people from TAFEs and university courses, denying them training, and then wondering why we have a growing problem with skills shortages. In an effort to overcome these shortages, we are importing skilled migrants to try to meet the needs of business.

The government have finally recognised that there is a problem and are finally doing something about it. The proposed solution is not particularly sensible but at least it is something. For that reason I am prepared to support the bill, but with questions and reservations. I raised those earlier in my speech, and I hope that the minister is able to provide me with some answers.

I note that these colleges will not turn out any graduates for some years and that we could put more money into TAFEs and have a much faster return. Labor has offered a couple of steps which will assist the situation, and I urge the government to consider them carefully. The first is a policy of paying an amount of $1,000 tax free to apprentices when they complete half their training and then another $1,000 tax free when they complete their full training. This incentive money would obviously encourage apprentices to complete their training.

The second step needed to increase the number of apprentices is to offer a skills shortage loading to schools based on trade apprenticeships. The additional funding will be $1,750 per apprentice and would help schools build their capacity to offer school based apprenticeships. Overall, the establishment of these new technical colleges is not the most sensible way to tackle the problem of skills shortages. However, in light of how dire the skills shortage situation has now become, I believe any action to address this issue is better than the continuing policy of doing nothing, and for this reason I am supporting this bill.

Mr PRICE (Chifley) (9.07 pm)—I would like to acknowledge the contribution of the honourable member for Isaacs to this debate on the Australian Technical Colleges (Flexibility in Achieving Australia's Skills Needs) Bill 2005. I listened to her contribution very carefully and I sincerely hope that I do not go over the same ground that she covered so well. It is pleasing to see the Parliamentary Secretary to the Minister for Education, Science and Training at the table. I note that one of his finest contributions in the House was to ask his own minister in question time to table a chart that he so prominently displayed, knowing only too well that the minister was free to table that at any time.

But I do have some serious questions for the parliamentary secretary. He comes from Western Sydney, and in that respect we have a lot in common. He represents the great electorate and the good people of Macarthur, and there are other coalition members in Western Sydney: the honourable members for Lindsay and Greenway. In fact, 10 per cent of all Australians live in Western Sydney, and that figure is increasing. We are very proud of that. The population is not diminishing.

I ask the parliamentary secretary: why is it the case that when you want to set up 25 of these technical colleges throughout Australia—and I admit that for us on the Labor side it is of great benefit to be good with numbers, but I have some colleagues here to check if my numbers are right—Western Sydney gets only one? I would have thought that would mean 2.5 colleges for Western Sydney. If you wanted to be generous, three,
and if you wanted to be conservative perhaps two, but why are we only getting one? Mr Deputy Speaker, it gives me no pride to stand here before you and say that, in New South Wales, my electorate has the largest number of unemployed people. Too many young people are unemployed and we want to get them to work. We all know that keeping them in school, giving them a good education and, for those that want to go to the world of work, encouraging that is very important.

I want to give you an example, Mr Deputy Speaker. I am proud to say that my electorate had the first ever public senior high school. I would love to take all the credit, but it was actually established by a coalition government in New South Wales, and I have always acknowledged and been grateful for that. It is highly successful. It has 850 students, most of whom come from the local government areas of Penrith, Blacktown and the Blue Mountains. It is an institution that attracts quite a number of students from private schools because of the outcomes it delivers, and that is a source of pride to me.

In that year 11 and 12 enrolment of 850 students in St Marys Senior High School in 2005, 258 are enrolled in VET courses, 62 are enrolled in VET courses outside St Marys senior high and four are enrolled in part-time traineeships—subjects at school and at work. So this is probably one of the best academic institutions in Western Sydney. It is doing really good things for that third of its students who see the world of work as their immediate destination, and that is a good thing. One of the interesting statistics is that 62 per cent of the students who attend St Marys senior high receive an offer from university and, of the remaining 38 per cent, most continue at TAFE. So here we have an outstanding institution in Western Sydney that caters on one side for those who want to go on to tertiary education at university—and I know this government thinks that when working-class people, people who have mums and dads slogging hard at work, aspire to go to university that is somehow something terribly wrong—and for a third of their students going into the world of work. I ask the parliamentary secretary: what is wrong with that? What is wrong with the St Marys Senior High School? Why can’t you provide extra money for them to continue doing their good work?

Mr Deputy Speaker, let me give you another example: Mount Druitt TAFE. You may recall the member for Mount Druitt and Riverstone, the late Tony Johnson, from your service in the New South Wales parliament. One of the things he did in his first election was to promise that we would get a TAFE at Mount Druitt. And do you know what? We did. In 2004 some 7,075 students attended that TAFE. It is a very large institution. The Mount Druitt TAFE believes that enrolments will be up 5.9 per cent on the figures from last year. So here you have an increase in the TAFE numbers. But I say to the parliamentary secretary: what assistance are you providing for Mount Druitt TAFE to take on even more students? I also ask the parliamentary secretary—because we need to work together on this—why can’t we provide traditional trade apprenticeships in St Marys senior high and Chifley senior high, to name just two, so that kids in those schools in my electorate can do year 11 and 12 in an established institution and acquire TAFE qualifications? The truth is that this government has quite a lot of safety net rhetoric: when in doubt, blame the states. If you are not making progress, it is the states’ fault; if things are not working out, it is the states’ fault. If you can bypass states, then bypass them and set up another institution.

In relation to the high schools in my electorate, both public and private, and Mount Druitt TAFE, we are not setting up a com-
lementary system, a system that actually helps build the existing capacity to take even more. If that were the government’s desire, I would certainly support it, and I know that so many of my colleagues on this side would. No, this is a completely competitive institution. Western Sydney, with one in 10 Australians living in it, will get one. And whose electorate will it be in? Will it be in the electorate of the member for Macarthur? Will it be in the electorate of the member for Greenway? Will it be in the electorate of the member for Lindsay? I can tell you, Mr Deputy Speaker, that it will not be in my electorate, because that is perhaps where the greatest need is. But we are getting one. Based on per capita calculations, we at least merit two or, with a bit of generosity, three. But we will be getting one. I am sure that, of those 25, you will see some in Labor electorates. But we all know how this government operates: all the rest will be in coalition electorates. We may get three, four or perhaps five, and the other 20 will be in coalition electorates.

I want to also point out some startling statistics. The thing about Western Sydney is that we are so proud of our young people. I know the member for Macarthur is. We have that in common. But we are no different from all the mums and dads in Western Sydney. If we have an aspiration for them, if we have a hope for them, it is that through hard work we might give them a better chance in life than perhaps we started off with.

What is the government doing in relation to TAFE and universities? Is it actually putting more money into TAFEs? Is it putting more money into Mount Druitt TAFE? No, of course not. Is it putting more money into the University of Western Sydney? No, it is not championing the University of Western Sydney. I might ask the parliamentary secretary: what is wrong with the University of Western Sydney? We fought so hard to get it. Why does this government dislike it? Why are your cuts to the University of Western Sydney so savage?

Instead of spending more on tertiary education, more on universities and more on technical colleges, this government is actually disinvesting. In contradiction to the whole of the developed world, where they are seeing the real need to say, ‘Our people are our greatest asset; therefore, we want to put more money into them,’ what is this government doing? It is saying, ‘We’re going to spend less.’

I think the honourable member for Isaacs raised the concern that we need to overcome the skills shortage that is so evident today, that is hindering our economy and slowing our growth rates, not only denying us income and exports but making us miss out on so many jobs. I share her concern. I want to put on the record publicly that I am someone who believes in a large migrant intake. Inevitably, because of the incompetence of this government, it is being forced to increase the skilled component of our migration—bringing in people from China, for example, to fill the places that young Australians would otherwise fill. Instead of having a government that is committed to developing the potential of our young Australians, those young students at school, and a government that really values them and says, ‘We want to give you the skills that will allow you to go out into work,’ what are we doing? We are importing people from overseas to fill those gaps.

With no pride, I regret to say, I have a very high unemployment rate in my electorate. I know that if there were a greater commitment to technical education by this government, more of my young people would be employed. We are divesting. Lest there are people in my electorate who think that the provision of these colleges is going to be
some miracle cure, let me say that if those colleges are located, as I suppose they are likely to be, in the electorates of Lindsay or Greenway, they will work against Mount Druitt TAFE. They will take some of that enrolment away. They will also work against St Mary’s senior high.

I do not believe that I am overreacting in any way—in fact, I have been advised so by the school itself. If I can refer back to all those students I mentioned who are enrolled in St Mary’s senior high undertaking a VET course, St Mary’s senior high is not going to enjoy that sort of enrolment. But for what purpose? All we are doing in this bill is satisfying the ideological hatred that this government has for the status quo. I think that we can do more in my area in terms of technical training. The government’s notion of these schools is: don’t give them a chance, don’t work on the problem, don’t try to find the solution; just set up an alternative model. Don’t build the infrastructure; spread it even more thinly.

It is going to work against Mount Druitt TAFE, an institution whose advisory board I served on prior to getting into this place. I was very proud to do so for a number of years. I have seen it grow and grow and undergo many extensions. Mount Druitt TAFE is not getting an extra dollar from the government, but enrolments will be up because of unmet demand by 5.9 per cent on last year. I think Mount Druitt TAFE could do a lot more if they were only supported.

Another aspect that I wish to raise concerns subclause 6(2) of this bill, which states:

An agreement may also specify other conditions, and that the payments under this Act are made on those conditions.

In her contribution to the second reading debate, the honourable member for Isaacs pointed out that the head of these colleges must come from industry. No-one in my area has fought harder to have industry involved with my schools, but I am not sure the way to go is to have someone set up as principal. I can tell the minister that when we were setting up the Chifley College, another great institution in my area—a senior college with junior campuses—I fought very hard to have an interim advisory board, as did my late colleague Jim Anderson, the member for Londonderry, and to have businessmen on that advisory board. It really worked very well. Initially it was very much resisted, if you like, by the teachers and the local district, but they came to appreciate its value. I think the head of a training institution ought to be a damned good trainer and be capable of delivering great training outcomes. I think the government are going about it the wrong way.

This subclause is very scary. What it really means is that the minister or the parliamentary secretary can put any condition on funding that they so desire. I know the parliamentary secretary comes from an area where the Tigers play and he might determine that every staff member needs to be a Tigers supporter. That would be outrageous. It would enjoy the support of the honourable member for Banks, but it would be wrong. This subclause could put on any other condition: for example, that staff members must attend church 52 weeks of the year. Does that help train young apprentices? Is that the sort of condition that this minister might impose? What other draconian condition could be imposed? I think people would be surprised that we are giving a minister of the Crown such unfettered power to list any condition whatsoever. The condition might be that the college employ so many Chinese teachers at these institutions. That is perfectly capable of being implemented under subclause 6(2) of this bill. In my view, it is totally unnecessary; it lacks proper parliamentary accountability;
but these are the scary things that this government does with its legislation.

The honourable member for Jagajaga, the Deputy Leader of the Opposition, has moved an extensive second reading amendment. I totally agree with it. I suppose you would expect that I would. I do not want to go through every paragraph, but paragraph (2) states:

... failing to train enough Australians in areas of skill shortage and relying on skilled migration ...

This is an outrage to young people. I want to know why Western Sydney is being diddled by a parliamentary secretary for education who actually comes from Western Sydney. Why aren’t we getting our fair share? It really is no news to the people of Western Sydney that this government takes them for granted. The government does not care and the people will not get their fair share.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (9.27 pm)—I am glad that the member for Chifley ran his 20 minutes out. It was a three-minute speech and he stretched it well. I will deal with some of the issues that he has raised. The Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005 is a significant piece of legislation. It will introduce a new approach to raising the profile of vocational and technical education in the trades. It is attracting young people to trade related professions. We think it is vital for Australia’s future and it is an important step in providing for the nation-building skills needs of Australian industry now and in the future.

This bill also implements the Australian government’s election commitment to establish 24 Australian technical colleges—the member for Chifley should note that it is 24, not 25—in identified regions throughout Australia. In fact, more than $343 million over five years will be appropriated through this bill to support the establishment and operation of these colleges in 24 regions throughout Australia. This funding will support infrastructure development as well as the additional costs associated with the delivery of the specialised services that the colleges will provide. This funding is over and above other general recurrent funding that colleges will be eligible to receive from the Australian government through the Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Act and recurrent schools funding provided by state and territory governments.

This bill will provide for funding agreements over the period 2005 to 2009 for the making of payments to establish and operate a college. The funding agreements will contain the conditions under which funding will be allocated to colleges and include a schedule of the payments to be made to each college over the term of the agreement. The bill therefore provides for agreements to be tailored to the needs and challenges of each of these 24 regions. While some governance and administrative requirements will be set as standard conditions in each funding agreement, the bill does not prescribe any particular model of operation. In fact, each college will be able to operate in a manner that best meets the needs of industry and students in the region in which it is established. In putting all that on the record again, I want to state that there are a couple of clear principles at work here. This government actually trusts each of these regions to get things together that suits the purpose of those regions.

I am delighted to thank a number of members on both sides of the chamber who have expressed an enormous passion and ambition for this, but there is a bit of two-facedness operating on the part of those opposite. At this point I want to talk about the failure of
some opposition speakers—indeed, the shadow minister, the member for Jagajaga; I think she is still the shadow minister—to understand that the government is providing $343 million in extra money. This is new funding for this new initiative.

This is significant by anyone’s measure. It is about schools, training providers, industry, business and local communities working collaboratively to meet the nation-building skills needs of this country. It is this group of Australians working in this collaborative way who will determine and put their funding requirements to the government for the establishment of an Australian technical college in their particular region. I do not know how the member for Jagajaga can suggest, as she has, that there is some sort of shortfall in funds for the establishment of the Australian technical colleges. It is extra money. Therefore, everything that she said goes beyond logic.

The member for Jagajaga also erroneously referred in her speech to the government having slashed some $240 million from the VET sector in the first two budgets, of 1996 and 1997. When you go to Budget Paper No. 1 for the 1995-6 budget, you will see that the former Labor government’s total funding allocated for vocational education and training was $1.07 billion. In 1996-97, this government’s total funding for VET was $1.19 billion. We can do the simple maths there, but it is an increase. Also, in 1997-98, there was a further increase, to $1.23 billion. It is $1.23 billion minus $1.07 billion. That leaves an additional amount of money. Where is the mathematics of the member for Jagajaga coming from?

The establishment of Australian technical colleges is not a duplication of existing arrangements, as some members opposite have wrongfully indicated. I want to spell out very quickly and very clearly for those who are unable to grasp the fundamentals of these colleges that they will provide new opportunities—additional opportunities—for young Australians to stay on at school, to remain in their regional communities, to complete their school studies and to combine those school studies with a school based new apprenticeship in the traditional trades.

I turn to a couple of comments from the member for Chifley, who is in the chamber again. There are 24, not 25 colleges. The Australian Labor Party, of which he is a member, went to the last election promising no Australian technical colleges. The promise from Labor was for none of these colleges to be created. The member for Chifley therefore has a point in his ambition for us to do more. The member for Greenway, the member for Macarthur, the member for Lindsay and the member for Macquarie all made the same point about Western Sydney.

The member for Chifley asked about St Mary’s Senior High School. The member for Chifley would be very wise to know that not one student at St Mary’s Senior High School has a school based new apprenticeship operating. One of the fundamental differences that the Australian technical college proposal brings—indeed the new national training agreement which will underpin the key ambitions of these new technical colleges—will be to enforce the prospect of more school based new apprenticeships around this country. We have backed it with extra funds in the most recent budget. The state premiers have agreed to the concept; we now want them to deliver on that. I am sure the member for Chifley will be delighted about that.

As far as Mount Druitt TAFE is concerned, the member for Chifley would be very wise to put pressure on the New South Wales government to sign up to the new national training agreement, because there are over 40,000 TAFE training places at stake.
under the new agreement, an agreement which delivers more money, record levels of funding, long-term commitments and greater opportunities for more young people to learn trades.

This government is very strong on this particular project because it is all about trusting local communities. It is all about building new opportunities for young people, whilst they are completing their years at school, to commence the process of an apprenticeship; school based new apprenticeships are part of the key to the success that we as a nation will see in the years to come.

A lot of this must sound very familiar to some in the Labor Party. It is exactly like some of the things that have been put forward by some members opposite as their preferred alternative. In fact, it was interesting to note that the member for Batman said that he wants to boost school based new apprenticeships. You can understand why. The Australian community is somewhat perplexed by the ALP’s stand on Australian technical colleges. The Leader of the Opposition has come out and publicly supported the establishment of an Australian technical college provided it is in his own electorate. I guess you cannot blame him for that, given the enthusiastic local support community and industry have offered for a technical college in the south Perth region. On the other hand, the Deputy Leader of the Opposition, the shadow minister, the member for Jagajaga, says that the opposition will support the bill even though clearly she fails to understand the fundamentals of the initiative. Those opposite are all over the place. I ask them to understand the incoherence of the arguments that they have brought to this debate.

The member for Shortland, the member for Brisbane and the member for Lyons have all embarrassed themselves by their complete misunderstanding about the way TAFE is funded in this country. Following the lead of the member for Jagajaga, they have failed to understand the simple fundamental that TAFE is in fact funded by state governments in this country. The Commonwealth, through national training agreements—for the last two years, through a national training non-agreement—has been putting record amounts of money into the states’ hands. We are trying to drive even more funds into the hands of state governments for things such as TAFEs, yet the state governments are slow in taking the opportunity to take up the money. But it is all about more money, not about less. The member for Jagajaga just does not seem to understand it.

At the end of the day, these technical colleges are an important part of this government’s approach to furnishing further the nation-building skills that we will continue to need. They are an investment in the long term. This has always been clear. They are not a knee-jerk reaction, as some members opposite have tried to suggest. They are indeed a very carefully thought out project about working with local communities, building up a sense of achievement for young people in particular so that they can feel a great sense of personal outcome from their decision to go down the vocational trades path.

The Howard government continues to invest record amounts in vocational and technical education: $10.1 billion over the next four years and about $12.7 billion over the next five years. In the 2005-06 financial year alone this government is spending a record $2.5 billion, including an injection of over $280.6 million on a range of new initiatives aimed at addressing skills needs, particularly those in traditional trades. When you understand that the 1995-96 figure was a little over $1 billion compared with a little over $2.5 billion this year you see that this government...
has been growing its contribution to this important task.

The Australian technical college, unlike what some opposite have said, is not about charging additional fees. The colleges will be schools, government and non-government, with recurrent school funding to be funded exactly on the same basis as existing schools. A college set up as part of a non-government school may, in accordance with its current practice, charge fees to students but only at a level equivalent to or less than the fees the school already charges students. In addition, there is a requirement that these schools must justify the level of fees they charge, demonstrating what is appropriate to the local communities, and they must actively pursue equity strategies. The government has ensured these measures will offer a wide range of Australian community members the opportunity to study through these colleges. No additional fee will be charged for a student attending an Australian technical college. We have said this time and time again, but it is a point the member for Jagajaga and those who choose to follow her, that small group in the opposition, completely and continually choose to ignore.

Some of the funding provided through this bill can be used for equity measures. In fact, we are encouraging individual proposers to put ideas to us and we are going through the process now of seeing what they have come up with. We are looking at equity measures, including scholarships or reduced fees for some students who may attend a non-government school or a government school that is not affiliated with the local technical college. These measures again ensure that the government’s aim to see equity of access to this wonderful opportunity is in fact put in place.

In July the government will announce the first of the successful proposals for the establishment of Australian technical colleges in the school year 2006. This is the earliest that any announcements can be made. Some 70 proposals from around Australia across the 24 regions have come in. I see the member for Grey here. We have proposals from Whyalla and Port Augusta. I know the member for Macarthur is enthusiastic about proposals from Western Sydney. We are very determined to ensure that things are assessed correctly and decisions are made quickly because we are respecting the processes to come, which is state registration of these institutions so they have a legitimacy that allows all the students who study there to have the convenience and ability to plug into the particular state’s jurisdictional requirements for assessment of their academic attainment.

Ms Macklin interjecting—

Mr HARDGRAVE—The member for Jagajaga is still interjecting. Are you for it or against it, Member for Jagajaga? She cannot make her mind up. Her leader is in favour of this proposal but the member for Jagajaga is nagging—the member for Jagajaga, the nagger-nagger opposite. The shadow minister has in fact indicated that the opposition have asked to see the proposals. They want to see all 70, but at the end of the day the department believe rightly, and I am happy to accept their advice, that we want to make certain that the commercial-in-confidence nature, the competing bids and privacy considerations are considered.

The Australian technical college initiative will introduce a brand new approach to integrating school and technical education. It will produce more skilled tradespersons in a faster time frame because it allows students to complete their academic studies while commencing their trades. It will provide an example for state and territory governments to improve their arrangements for school
based new apprentices. If those opposite wanted to follow the lead of the member for Batman, if those opposite wanted to follow the comments of the member for Chifley, if those opposite were really genuinely concerned about the prospects for young people to study in the trades, to get involved in those studies and to have those training opportunities early, they would in fact be putting pressure today on the New South Wales state government and the Western Australian state government, in particular, about removing the industrial relations impediments that prevent school based new apprenticeships from being offered to young people in those states.

My home state of Queensland is leading the nation with regard to school based new apprenticeships. It was the efforts of Senator Santoro when he was the training minister in Queensland, and of Bob Quinn, who is the current Liberal leader in Queensland, when he was the education minister that established the framework for school based new apprenticeships at the suggestion of this government. In the 1996 to 1998 period the short-lived coalition state government established the framework that the current state government in Queensland, to their credit, have maintained. They have embarrassed the New South Wales government by the fact there are something like 1,300 students at a real time certificate III or certificate IV level assessment involved in the traditional trades. In the state of New South Wales there are none—zero. You would estimate that probably 5,000 young people with an ability to study at a real time assessment are in fact not given that opportunity by Labor Party intrasigence at best but downright bloody-mindedness at worst because of their nexus with the trade union movement. I do not for the life of me understand why the Labor Party are so hell bent on starving young people of opportunities to go into the trades. The trade union movement sponsors the Labor Party and yet the trade union movement prevents more people entering the trades.

Those opposite from Victoria have got a state which has embraced school based new apprentices at a greater rate, but from a small base—a dozen has become 50, has become 80, has become 90. But there has been a change. In South Australia school based new apprentices are registered under federal award provisions because of the way the South Australian government, following the lead of the trade unions, have put all sorts of restrictions on the opportunities for young people there. And in Western Australia it is just plain mad. This is a state where there is an enormous boom going on in the building trades, and in the building sector you can go and do work experience but you cannot actually start a trade while you are still at school. So the Labor Party have got to account to Australians right across this nation why they are so hell bent against school based new apprentices. Yet the premiers have signed up again to the theory of it. We want to see the practical application of that.

Ironically, a number of state and territory governments have immersed themselves in various bids and proposals for these colleges, yet the Labor Party in this place are running against that particular logic as well by their all over the place approach to this legislation enabling these technical colleges to come into being. All states and territories have indicated their support for the colleges. Some states, though, continue to impose barriers that get in the way of young people commencing a trade qualification at school. We want to make certain that the states and territories deliver a reasonable environment for the opportunity that the Commonwealth is offering them through this legislation. We are very committed to working with states and territories to strengthen their trade training
and to meet skills needs, but state governments have to play their part in this process.

This is a historic moment as this bill is about to pass this chamber. It is an opportunity for young Australians in years 11 and 12 in 24 regions around Australia, and the numbers are working their way up to 300 students in each of those 24 regions. It is a modest start. It is not a complete start, but I have got to say that enthusiasm has been registered in those regions and in other places around Australia. Indeed, think about the member for Oxley’s contribution and his demand that he gets one in his own electorate. The member for Chifley wants one. The member for Ballarat wants one as well. There are numbers of members opposite—the member for Gorton, the member for Bendigo and others from all over the opposition ranks—coming to me privately and saying: ‘I am all in favour of this. Don’t worry about what Jagajaga has to say, I am all in favour of this.’ Is it any wonder that the member for Brand got pushed around and pressured in his own electorate by the local community until he finally and begrudgingly came out and supported this?

It is a new opportunity. It is a new way forward. It is the right way to go. It trusts local communities. It works with local communities. It challenges state governments to either get with the program or get out of the way. It is about building new opportunities for young Australians so that they can become the nation builders of tomorrow. I commend this bill to the House.

Question put:

That the words proposed to be omitted (Ms Macklin’s amendment) stand part of the question.

The House divided. [9.51 pm]

(The Deputy Speaker—Mr Jenkins)

Ayes......... 75
Noes......... 53
Majority....... 22

AYES

Abbott, A.J. Andrews, K.J.
Baird, B.G. Baker, M.
Barresi, P.A. Bartlett, K.J.
Bishop, B.K. Bishop, J.I.
Broadbent, R. Brough, M.T.
Cadman, A.G. Causley, I.R.
Ciobo, S.M. Cobb, J.K.
Costello, P.H. Draper, P.
Dutton, P.C. Elson, K.S.
Entsch, W.G. Farmer, P.F.
Fawcett, D. Fergusson, M.D.
Forrest, J.A. * Georgiou, P.
Gash, J. Henry, S.
Haase, B.W. Hull, K.E.
Hartshuyker, L. Jensen, D.
Hockey, J.B. Keenan, M.
Hunt, G.A. Kelly, J.M.
Johnson, M.A. Kelly, M.
Laming, A. Ley, S.P.
Lindsay, P.J. Lloyd, J.E.
Markus, L. May, M.A.
McArthur, S. * McGauran, P.J.
Moylan, J.E. Nairn, G.R.
Nelson, B.J. Neville, P.C.
Pearce, C.J. Prosser, G.D.
Pyne, C. Randall, D.J.
Robb, A. Ruddock, P.M.
Schultz, A. Scott, B.C.
Secker, P.D. Slipper, P.N.
Smith, A.D.H. Somlyay, A.M.
Southcott, A.J. Stone, S.N.
Thompson, C.P. Ticehurst, K.V.
Tollner, D.W. Truss, W.E.
Turnbull, M. Vaile, M.A.J.
Vale, D.S. Vasta, R.
Wakelin, B.H. Washer, M.J.
Wood, J.

NOES

Adams, D.G.H. Albanese, A.N.
Beazley, K.C. Bevis, A.R.
Bird, S. * Bowen, C.
Burke, A.E. Burke, A.S.
Corcoran, A.K. Crean, S.F.
Consideration in Detail

Bill—by leave—taken as a whole.

Ms MACKLIN (Jagajaga) (9.58 pm)—I want to make sure that the House is aware of Labor’s position on this bill, as the Minister for Vocational and Technical Education seemed to have some question about that. So there is no confusion, and I am sure the minister really is not confused, given that we just supported the second reading: we do support this bill. We do support the establishment of these technical colleges; nevertheless, we have some concerns about them, and it is an important role of the opposition to hold the government to account, to ask questions about how this new proposal will work, and that is what I want to do during this consideration in detail. On another matter which the minister referred to: I want to clarify that not only does Labor support school based new apprentices but the Leader of the Opposition put forward a very practical proposal to provide not only additional school based apprenticeship places but also additional support for our secondary schools so that that can take place. So I would appreciate it, Minister, if you did not repeat any of those misconceptions.

If we can put all of those things to one side, I would like to go to some of the issues about the way in which the technical colleges will work. First of all, I would like the minister to confirm how many colleges he expects to be operating in 2006? I understand he is expecting six technical colleges. If that is the case, how many students is he expecting to go to those technical colleges in 2006? One of the concerns that have been raised is that if the technical colleges are in non-government schools then, at least in some states, the time has passed for the approval of new non-government schools. Could the minister inform me whether all of the techni-
cal colleges that are going to start in 2006 are existing schools? I assume they must be.

One of the other issues is whether all of the areas that have been set out for technical colleges have put proposals before the government that come up to scratch. Are there any areas in Australia where the government is still concerned to continue to work with schools or industry to get proposals that meet the way in which the government wants to have these technical colleges work?

I will run through a few questions. Some of the issues I have already raised are: how many colleges and how many students does the minister expect in 2006; are there some areas the minister is still concerned about; if so, which areas? As the minister knows, we are still asking questions about the way in which the fees will be set. I understand the point that the minister has made about no additional fees for existing schools but I would like him to outline the government’s policy as to how fees will be set in the new registered technical colleges which obviously will be schools, because that is what they have to be. Assuming that they are not public schools, how will fees be set at these greenfield sites?

The second issue is about fees. We know that in many cases we expect the schools to partner with registered training authorities, some of which will be for-profit registered training authorities. (Extension of time granted) Could the minister also outline how many proposals contain an arrangement where they are partnering for-profit registered training organisations.

The other area of concern for Labor is the way in which the industrial relations provisions will work. I would appreciate it if the minister could explain why the provision in this bill is so different from that in the Skilling Australia’s Workforce Bill 2005, which went through the House a little while ago. As we know, in this bill there is no requirement that staff be offered an Australian workplace agreement. I would like to know why the government has decided to go down a different path? More importantly, how many of the proposals that the minister has received are unable to comply with any requirement that the colleges offer Australian workplace agreements? I understand that in some states that is not possible because of state arrangements. Could the minister explain how many proposals he has that do not comply with the government’s requirements? Or is the government not going to be so strict in its requirement that each college offer Australian workplace agreements? Will there be some flexibility? I am trying to understand whether the government is going to say that this is a deal breaker for various proposals or whether it is going to consider other industrial relations provisions. If the minister could give us some information on these issues we would appreciate it.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.06 pm)—I thank the member for Jagajaga for her questions. It is very clear that we are in the midst of a proposal process and the commercial-in-confidence nature of individual proposals needs to be, and laws would suggest have to be, protected. I do not believe that I am fully equipped to answer the detail of questions the member wants answered. I am certain that those details will become very evident once announcements are made. These sorts of direct questions are really trying to dig out the detail of individual proposals and would breach that commercial-in-confidence requirement.

You are quite right about each state having different processes and time frames for the registration of schools. It takes 2½ years to register a new non-government school in the ACT. For schools in New South Wales, 31
March has come and gone. New schools in New South Wales need to be registered by 31 March in the preceding year, so a proposal for a new school structure for 2007 would obviously need to be registered by 31 March 2006. The vehicle for a 2006 start is more likely to be an existing school provider—public or private—and we are certainly working our way through the detail of those submissions to look at that.

We have made it very plain—and I welcome the opportunity to keep restating it—that students should not be, shall not be and cannot lawfully be charged an additional fee to attend a school if the school becomes part of an Australian technical college. The various fee structures, charges, levies and whatever exists in government schools are one thing; school fees charged by non-government schools—are another. It has certainly been our ambition to see proposals offering those equity measures that I have talked about. For a Catholic systemic school, which would be at the low end of fee structures, we would still like to see equity measures for students who, because of the circumstance of the proposal that works in their region, cannot attend through a non-government school, which would be the cheapest method. We would like to see further equity measures—scholarships and so forth—to deal with any disadvantage.

This is all hypothetical—dangerous as it is for ministers to deal in the hypothetical—in that we do not know the full shape of what the proposals themselves are putting forward. Dr Nelson suggested in the Main Committee, in the consideration in detail of the appropriations bills, that the planning level would be six schools. The member for Jagajaga would know how things work. The department of finance will say: ‘What is it going to cost? What are the patterns of expenditure? What plans are you bringing to the table?’ At the end of the day, the expenditure announced for 2005-06 acknowledges that we expect in the order of six schools as a planning level. Whether the government can exceed that expectation will now be up to the assessments of these proposals.

On the AWA matter, the states have the opportunity to change laws. We believe that staff connected with Australian technical colleges should be afforded the opportunity to have an AWA. Third parties that may be involved in the provision of services to a technical college are not covered in this bill. It is not meant to be prescriptive on third parties involved with technical colleges. But directly employed staff should have the opportunity to have an AWA because we think quality teachers should be offered a quality wage. It will not be long before every state government around Australia realises that there is a haemorrhaging from the public system of quality people who are attracted to far more flexible wage rates—higher wage rates—than those afforded by private agreements in other places. So state governments are going to have to go down this path. A number of state education and training ministers have privately said that, whilst they publicly oppose AWAs, they privately hope that AWAs become a regular feature because they need to stop the haemorrhaging of quality teachers from their education systems.

Ms MACKLIN (Jagajaga) (10.11 pm)—I want to follow up a couple of questions that the minister has not touched on yet. I do not know why he is concerned about commercial-in-confidence, because I have not asked about any individual proposal. Anyway, I thought they were all supposed to be not-for-profit, so I do not know why it matters. I am not asking about any specific proposal. What is the government’s policy specifically in relation to fees? Will the government set any restriction on what fees will be able to be charged at new technical colleges? How
many of the proposals partner with a for-profit registered training organisation? I am not asking about any individual proposal; I am asking how many have those sorts of relationships. Are there any regions where no proposals have come up to scratch?

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.12 pm)—My shorthand is not as good as the member for Jagajaga requires tonight! The low end of the fee range is what we have always said we would be looking at. We made it very plain in the request for proposals that we were equally looking for strategies to ensure equitable access. There has been some pretty ridiculous public comment suggesting that the King’s School is about to offer an Australian technical college and that it is going to cost tens of thousands of dollars. I just do not see that getting up, because we are trying to create more opportunity for more people to study the vocational trades. Hypothetically, for a new school structure—which is what the member for Jagajaga is hinting at—involving a not-for-profit non-government school, we would be looking at fees at the low end. From an equity point of view, we would prefer to have state school partners. It is as simple as that.

All 24 regions have sent in submissions. It is still too early to know the quality of each of the submissions, but early indications are that there are in every region proposals that have the capacity to deliver on this project. We are excited about that. With regard to engagement with local business and industry, I have challenged people in each of these regions. As the member knows, I went to all 24 regions. I made the point that we need to get the existing education and training assets to work. I said, ‘If you have local training providers, be they public or private, bring them into the partnerships that you might put in your proposals to us.’

So I suspect that amongst some of those proposals there are people who are profit-taking registered training organisations. But they would be, as is the case now, people offering that on a fee for service. We are looking through the sorts of structures that the technical college proposals in each of these regions are suggesting will make that affiliation work to get the outcomes we want. So, yes, I guess there are probably some who are registered training organisations who are profit takers and who are part of some of the consortia. We are not afraid, and neither was the previous government, to see people making a profit out of training. All we want to make sure of is that we get quality and relevant training. What has to drive this is not the education and training providers in each of these regions; rather, it has to be the business and industry base in the regions. We want them to be in a purchasing agreement with the technical colleges, the education and training providers who make up the colleges. We want them to be in a circumstance where they do not simply stand in judgment at the end of the process but are actively involved from the beginning, all the way through, and that they are offering new apprenticeships to years 11 and 12 students, taking on these part-time employees, backing them while they study academically and backing them while they train in their trade. That sort of partnership, that whole process of the technical college, can only work if businesses and industries are enthusiastic partners.

It will be up to each region to style the response that works for them. Every region has a different outlook. A bit of store was made in earlier discussion during the second reading debate about there being only one in Western Sydney. I have to tell you that the people in Dubbo are delighted by the idea that they are as important as the two million in Western Sydney. I do not disagree with the ambition of the member for Chifley for
more. It is like something straight out of Oliver! more is being asked for everywhere we go. I went to Perth, where they said: ‘We’re a resource state; we need 20 of them. Give us more.’ The Prime Minister is very alive to this. We want to make these 24 work well on the terms and conditions of the local communities. We want the local communities to have ownership of this and to be proud of the school they build and to make certain that nothing like fee structures, nothing like cost structures, gets in the way of good outcomes for as many good young people who want to go into trades as is humanly possible in each of these areas.

Ms MACKLIN (Jagajaga) (10.17 pm)—Finally on the fee issue, given that the minister, I am pleased to say, is indicating that the government does want to keep the fees down but is also saying that he does not want fee structures to get in the way: does that mean that there will not be a cap on the fees that can be charged?

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.17 pm)—As we have made very plain all the way through this process, we want the proposal documents being returned to us in this request for proposal stage to outline very clearly the equity measures and to make certain that a maximum number of young people in an area can be involved. We also want them to look for ways in which, if there are costs involved because it is a non-government school, that is still not going to be an impediment for people.

Ms Macklin—But from a policy point of view, is what I am saying.

Mr HARDGRAVE—From our point of view we have not talked about a cap, but we have said that we do not want to see middle- and high-fee schools involved if it is going to become an issue from an equity point of view. Our ideal partners are with existing state government schools in an area. The Catholic systemic schools are also ideal partners for exactly the same reason. The electorate of the member for Jagajaga is a lot like mine. I look into these things. I know people in that area; in fact I think my sister might live there—now I have outed her as a constituent. But I know that the Catholic parish schools in my own area work very hard to make certain that even the modest fees that they charge are not an impediment for people to access the school.

That is why we have put this emphasis on not making money out of it. We want them to be not-for-profit organisations but they may as entities, because they are under local pressure to get this right, hire experts who are providers in training and pay them a fee for that. But, again, it is a strategy that we want to see them offer to us in the documents we have sought from them. I am quite certain that the member will go through all the detail of each of these proposals as we announce them, which it is hoped will be by middle to late July. When we come back in August no doubt there will be a lot of questions about it. But our ambition is very plain: we are trusting the local communities to get these strategies right. We will really look at anybody who starts proposing heavy fee structures in a new school environment because we are about a lower—

Ms Macklin—But you haven’t set any cap.

Mr HARDGRAVE—We have not set a cap as such. I am happy to take the interjection, even though I know you are never happy about that, Mr Deputy Speaker Jenkins. But I am happy to try to clarify this in a collaborative way with the member for Jagajaga. We both get enthusiastic. I think we are both passionate on this and I think we can have a reasonable agreement that more kids
getting more opportunities to study in trades is the ambition of the government. For the record can I thank the opposition for their support in the second reading debate.

Ms CORCORAN (Isaacs) (10.20 pm)—I have a couple of questions I would like to ask the minister. Before I do I want to get something on the record, because the minister was not in the chamber when I made my contribution to the second reading debate. He made the point in his second reading speech that the opposition did not support this bill. I want to make it very clear, and to stress what the member for Jagajaga has said, that my own words were that with reservations I do support this bill. I just want to make that very clear.

My first question is about the allocation of the $343.6 million that is in the bill, which is noted as $350 million on the web site. I will not quibble about that slight difference in the figures, but I am interested in how the monies will be allocated to what will eventually be 24 colleges, given that the minister has just told us that he has got 70 applications to date and that he is hoping to make six announcements in July. That suggests there will be a long time line with applications coming in and being assessed and announcements being made. Minister, you say in your material that this money will be allocated on the basis of need. How are you going to spread this $343 million across what could be quite a long time period? At the end of the day, will the last couple of applicants just be given what is left, regardless of what they need? How is that going to work? I do not quite understand how that will happen.

My second question is about recurrent funding. I do not know, but it seems likely that a number of these proposals are going to come from schools that already exist, because they are the ones that are already in the business of providing this sort of service. Why an industry which is doing something quite different might want to turn around and suddenly grow a school is something else again. I am interested in how the recurrent funding will operate for these independent schools. I am not sure if I have not read it correctly or if it is not clear yet. Somewhere I saw that the SES funding for a college which is attached to an existing school will be provided at the rate of the existing school. Somewhere else SES funding is talked about as being based on the new students in a particular college. If an existing school has a college attached to it, will all of those students be mixed up together for the purposes of the SES funding for both of those places? I am not too sure what the story is there.

The member for Jagajaga raised the issue of fees. I want to raise that as well. You have probably gone as far as you can, but I would be very interested in seeing what steps there are to make sure that these colleges are accessible to all students. If fees become high, I can see a situation where some kids will not be able to access these places. You talk about equity strategies. I do not quite know what you mean by that. You might want to give me an example of what you might be looking for in proposals. You talked in your speech in reply to the second reading debate about fees with regard to community standards. I do not quite know what that means either. You might have to go back to the Hansard and look at that.

I have two other questions, the first of which relates to AWAs. I am not clear: what is going to happen where a college is associated with an established school? I can see the possibility of teachers and staff crossing from the established school to a new ATC. I can see an arrangement where some staff may be under AWAs and some not. I would not mind some clarification of whether that is going to create a problem. Will that situation exist? Will that create a problem for ei-
ther the established schools or the new colleges? My final question is about what I call the chair of the board; I do not know what your term is, but you say that you want this person to come from industry. I am intrigued about that. I need to understand why you are deliberately excluding people who are not from industry. I would like to know how you are going to define ‘from industry’ and why you are excluding other people, particularly educationalists, from holding those positions.

The DEPUTY SPEAKER (Mr Jenkins)—Before I call the minister, just a gentle reminder to the member for Isaacs that she has to refer her remarks through the chair.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.24 pm)—To the member for Isaacs: this is extra money. This is about putting more money into the education system. The $351 million over five years and the $343 million over four years are consistent figures. I accept that there is a web site that suggests $350 million, which is a broader figure, but the $343 million is contained in the bill. On the matter of fees, the contracts that we will sign with the successful proponents will in fact make the fees matter very clear. An environment of getting a contract and then blowing up fees is just not going to be possible because it would represent a completely different set of circumstances and a breach of contract.

I am not proposing to necessarily announce six colleges or whatever in July; I am intending to announce the successful proposals for the 24. As some are outlining through their proposals, various state laws impact in different ways. Indeed, as the member for Jagajaga pointed out in her question, state laws represent eight different systems of registration in this country. After 104 years of Federation it is extraordinary but still true. We know there are going to be some schools that will take a long time to gear up. Because of state requirements they are going to be restricted from starting in 2006 and others are perhaps even going to have to use that year for other purposes, but we will deal with that.

On the question of teachers and different pay rates, we actually do not mind the idea of performing teachers being able to be paid a wage that reflects their performance. I have a lot of friends who are teachers, and they do comment that they feel disappointed if they put a lot of time and effort in and, in a collegial sense, make a judgment that somebody in the classroom next door is not quite performing to the standard that they think they themselves are—in other words, they think someone is a bit slack by comparison to them; that is their judgment, not mine—and they are all paid the same. They suggest that that in itself is far more disruptive and creates an environment where a lot of teachers feel it takes a lot of dedication to stay in the service. You will find there are a lot of very dedicated teachers who feel that way. Workplace agreements and the opportunity to offer them to teachers of quality is something that they can either say ‘yea’ or ‘nay’ to. If they want to work for less and work for the award wage, they can.

As the Minister for Employment and Workplace Relations has pointed out, statistics have shown that an AWA has tended to deliver something in the order of 100 per cent on the wage structures of the awards. We do not mind the concept of that. We anticipate that in the proposals all these issues, costs and so forth will be spelt out—we are looking for those strategies. We want to make certain, therefore, that people are able to participate in these schools, both as professional educators and, indeed, as students.
in ways that guarantee and promote a sense of quality.

Why should there be industry leadership? When you hear me say the word ‘industry’, it means the business community—the people who are in fact in the business of employing people. Why? Because there are a lot of people who have stood in judgment. There is a bit of a wall between education and training in the business communities. The jargon in the education sector is such that the glossary is always thicker than the annual report on anything to do with education. We want to try and pull that wall down. We want to say to business: ‘Don’t just complain and stand in judgment. If you’re not satisfied with how people are educated and trained, get involved in the whole process at the beginning and all the way through.’ Challenging business to put up and be involved, and giving them a position to organise that, is important.

I do not disagree with the member for Isaacs in her implication that we need to have professional educators involved as well. I think that is right, and we are looking for the strength of existing educators, trainers and providers in each of these regions in the proposals that are currently being dealt with. So, at the end of it, each area is going to have a different response to the overall policy framework. That is what makes these technical colleges a fantastic initiative: it is the Commonwealth dealing directly with local communities in a way that suits the terms and conditions of those local communities and that gives them ownership of and responsibility for the outcomes we expect the technical colleges to generate—and, by contract, we will enforce the attainment of those outcomes.

Ms CORCORAN (Isaacs) (10.29 pm)—With regard to the last point that the minister made, I had asked him to explain why he wanted people from industry to be chairs of the board. He has explained that, and I hear what he says. He then went on to talk about education. My question was: why are educationalists being excluded? I gather from the minister’s comments that perhaps they are not going to be excluded, although that is not my reading of the bill or the explanatory memorandum. Could the minister explain whether or not a proposal for an educationalist to be a chair of the board would be acceptable to him?

I come back again to the allocation of the $343 million. My question was: how does the minister plan spreading that across the long time period we are going to have between some applications being received and assessed and the later ones being received and assessed? I am not too sure whether you are going to put a fixed amount per region or a fixed amount per year or just how you intend allocating that money.

My third point is the issue of SES funding—the recurrent funding. I will remind the minister of my question. I would like to understand how the SES funding is going to be sorted out where an existing school establishes a new college. In some places the material suggests that the SES funding will be based on the SES funding of the existing college. Is that the case and will that be the case for all time? Will the SES funding take into account existing students? Will the colleges be assessed for recurrent funding separately from the established schools or will they all be mixed up together? I do not quite understand what the arrangements will be.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.31 pm)—In answer to the last question first, the states register the schools. But one of the things that happens when schools are registered is that there are rights and responsibilities of schools. When schools are regis-
tered they are, if you like, bought into the system. They are required to teach a certain syllabus. They are required to conform to the outcomes that are measured in various ways across Australia, and there are eight different systems operating. There are eight different systems of entry, eight different systems of exit, eight different systems of assessment and eight different systems of allocation of funds based on state funding formulas and so forth. We are saying that for schools to be registered schools, to conform to that, the states buy in by putting in certain amounts of money. The Commonwealth buys in, with record amounts of money these days, to each school. So a school that is registered under the various funding models that exist is afforded a certain amount of funding. That would continue to be the case.

The difference is that there is an amount of money—$343 million over four years and $351 million over five years—that adds to that, in a premium to the Australian technical college. So it is more money, not a reshuffling of the existing amounts of money. The Commonwealth buys in, with record amounts of money these days, to each school. So a school that is registered under the various funding models that exist is afforded a certain amount of funding. That would continue to be the case.

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Ms Macklin—It is the SES arrangements that we are trying to understand.

Mr HARDGRAVE—But what I am saying very plainly is that the funding arrangements in each state and the funding arrangements between registered schools continue as they are, and the technical college additional funding—the $343 million over four years—is added in on top.

No, there is not going to be a circumstance, as the member for Isaacs has suggested, where perhaps those who are last to the trough will not be well replenished. My intention is, as I said before, to make announcements concerning all 24 regions in pretty close time. The funding allocation—the process of allocation and the ordering of allocation—is set around the proposals that are brought forward. If you look at the mid-year economic forecast—I do not have the numbers in my head; I am not as good as the minister for education at recalling statistics from the back of the cerebellum, particularly at half past 10 at night—you will see that, at the end of it, there is a phasing of funding. The money will be added based on the agreements and the proposals that have been put to us by each of these regions. There will be different amounts of money for different projects, because that is what people are putting to us in their proposals.

Ms MACKLIN (Jagajaga) (10.34 pm)—On this issue of the funding of non-government schools, we are trying to understand how the Commonwealth’s funding is going to work. It is nothing to do with the states. So we are not talking about eight different systems; we are talking about the Commonwealth’s funding. It is the Commonwealth that uses the SES funding system. We are trying to understand whether the current SES arrangement for a particular non-government school will cover the technical college or whether, given that the students from the technical college are likely to come from a different SES catchment, there will be a new SES assessment by the Commonwealth—it is nothing to do with the Commonwealth’s schools funding will be. It is nothing to do with this money. We are talking about the schools funding.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.35 pm)—Again, it will depend on what schools are affiliated with this whole project. Whether the draw of students is different or whatever, the money is allocated under the technical colleges bill—the bill we are considering in detail—makes a difference.

Ms Macklin interjecting—
Mr HARDGRAVE—The schools that are at the heart of each of these proposals are already receiving funding from the Commonwealth and from the states. That funding continues. They are not students who are simply dropping like manna from heaven. This is actually extra funding for the same number of students. Students might well come from different places to a school and the usual funding regime afforded to that particular school will continue to apply. I do not know how much clearer we can be.

We are now at the stage where we are drilling down to every last hypothetical ‘what if’. We may as well just cut to the chase—and I will run the risk of being thrown in jail—and just show the member for Jagajaga every proposal. She can tell me which ones should get up. We are just trying to deal very clearly and properly with this process one bit at a time. We will be in a position to make announcements by mid- to late July. We will come back to the parliament in mid-August. I am sure the member will ask me lots of questions when we come back, and I will look forward to it.

Ms CORCORAN (Isaacs) (10.37 pm)—I am not trying to be smart here, but there are a couple of points I would like to ask the minister. I understand the difference between the $343 million or the $350 million or whatever it is—that is establishment money. My questions are not about that money at all. Once the schools are in place, there is the issue for independent schools of what is called recurrent funding or, to use the shorthand, SES funding. That is the Commonwealth’s contribution to independent schools. The formula for recurrent funding looks at each individual student at the school and works out the funding using the address of that student. So every single student of these new colleges and the schools is looked at for the purposes of determining recurrent funding. There is conflicting information in the material, so my question simply is this: will these new colleges stand alone for the purposes of their Commonwealth government recurrent funding—which is called SES—or will these schools, where they are associated with established non-government schools, be funded on the basis of the SES that exists for the original school, or will there be a mix of those two things? That is my first question.

The second question is about fees. Once the proposals are accepted, will there be some sort of legal requirement in those proposals and arrangements about the fees that can be charged to students? My third question—I know it is late at night so I will forgive the minister for forgetting to respond to this one—is again about the chairs of the boards. Will the minister stick to the letter of the law and only accept people from industry as chairs of these boards or will educationalists be accepted?

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.39 pm)—I can assure you that I will be sticking to the letter of the law. We want local industry to take leadership on this. We do not want it to become simply an education and training facility for an education and training facility’s sake. We want industry to walk with this and to be a part of this, not to walk away. If industry get a sniff that it is something like they currently have, we are going to lose them. It is a very simple point of view. We want industry to take responsibility for and be actively involved in education and training, not to just stand in judgment at the end.

I know what the member for Isaacs and the member for Jagajaga are driving at, but it is very difficult to give them the complete answer based on the fact that it depends on the proposal and on the students that come in. At the end of the day, the simplest answer
is that the mix of schools is going to vary in each region. The circumstances in which these schools operate will become very clear once the announcement is made about which schools are operating and when.

Ms Macklin (Jagajaga) (10.40 pm)—There is just a final question from me, and I know the member for Cunningham has a couple of very quick matters. Can we get a very clear answer: will the fees be in the contracts that the minister signs with the individual technical colleges?

Mr Hardgrave (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.40 pm)—I think this is approximately the seventh time I have answered yes to that question.

Ms Bird (Cunningham) (10.40 pm)—I am sorry to be a nuisance to the government, but it is an important issue and my area is one of those identified. I want to ask the minister a question about the number of students who will enrol at the technical colleges. I know that the proposed number is about 200 to 300 per college. I am just wondering whether you have given consideration to what is the critical mass needed to make a college remain viable. That is quite a large number of young people to pull out of years 11 and 12 across schools in a region. As to long-term viability, I wonder whether the government has had a look at the issue of the number needed for the college to continue to be viable and not be a short-term thing. I would not like to see that happen in those regions. Perhaps the minister could just give me some indication of that.

Mr Hardgrave (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.41 pm)—We certainly do not want to see those as short-term matters either, and one of the reasons that we have challenged local communities to take ownership of this is so that they do not see it as something imposed on them from Canberra. There is enough resentment in Townsville when things are imposed on them from Brisbane. There is enough resentment in Dubbo—I see the member for Parkes here—when things are imposed on them from Sydney. So we do understand that point. That is in fact why the government have said we are funding this over the next five years, as far out as we can go. It will cost $351 million, although the bill talks about four years and $343 million.

On the viability question and the critical mass you are talking about, I have asked each of these regions to tell me the way that they are going to grow this. I have encouraged them to start small and to grow. I think having that organic process is part of the key to success. If we said to them, ‘It’s either 300 on day one or you don’t get it,’ that would be mad. We have said at the outset, in a modest way, there will be 24 regions and 300 students. That is 150 in year 11 and 150 in year 12. What does that produce? It produces 7,200 new opportunities for young people to go down the trade path while they are still at school. This is good. I would ask the member for Cunningham to use her considerable influence in Sussex Street to get some changes to New South Wales legislation governing school based apprenticeships and we can make a real difference to her constituents.

Mr Jenkins (Scullin) (10.43 pm)—I think that, if people have a bit of difficulty with the procedure that is happening at this time and with having a proper consideration in detail of this bill, they should be aware that it is our intention from 1 July to make sure that we use this procedure. I have only one question to the minister, and it relates to clause 18(4) where the $343 million is broken down into the five years. We need to see some detail about the way those figures have come into play, because they do say some-
thing about the staging that the government thinks will occur for these colleges being put in place. It is important that those figures have not just been plucked out of the air. It is $343 million spread over five years. There has to have been some loose science used to have come up with those figures. I think that part of the discussion we have had tonight has tried to come to grips with the way in which the department has advised the government to place these figures in this bill, for which we have the Governor-General’s message and the necessary funding. My only point and intervention in this debate is to try to get an explanation for these payments.

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.44 pm)—My colleagues will love the fact that this will take 20 seconds. All of that was actually revealed in the midyear economic forecast. That talked about the phasing based on a number of assumptions. There was some basic ordering on the funding proposals that were outlined in the election and exceeded in announcements by this government—we have actually delivered more than we promised in the election. It was based simply around a hypothetical mix of half government and half non-government schools being involved in the total number of 24. The phasing over four years reflects the reasonable roll-out and the expectation that, between 2006 and 2008, certain numbers of schools will eventuate under this proposal.

Bill agreed to.

Third Reading

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (10.45 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

MIGRATION AMENDMENT (DETENTION ARRANGEMENTS) BILL 2005

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Schedule 1, page 5 (after line 19), after item 9, insert:

9A After section 194

Insert:

194A Independent medical access etc.

The Secretary must ensure that independent medical professionals and media representatives have access to a person detained under section 189 or 196.

(2) Schedule 1, item 10, page 5 (line 26), after “189”, insert “or 196”.

(3) Schedule 1, item 10, page 6 (after line 7), after subsection 195A(4), insert:

Considerations to be taken into account in granting visas

(4A) In exercising the power under subsection (2), the Minister must have regard to whether a person has a need for temporary protection or for permanent protection.

(4B) If the Minister considers that a person has a need for temporary protection, the Minister may grant the person a visa for a period not exceeding two years. At the end of that period, unless the Secretary has presented evidence to the Minister that satisfies the Minister that the decision to grant a visa should be reversed, the Minister must grant a further visa permitting the person to remain in Australia indefinitely.

(4C) If the Minister considers that a person has a need for permanent protection,
the Minister must grant the person a visa permitting the person to remain in Australia indefinitely.

(4D) If the Minister considers that a person does not have a need for permanent protection but considers that the person has made, and can continue to make, a long-term contribution to economic, social or community life, the Minister may grant a visa permitting the person to remain in Australia indefinitely.

(4) Schedule 1, item 11, page 7 (line 9), after “189”, insert “or 196”.

(5) Schedule 1, item 11, page 7 (line 13), omit “If”, substitute “Subject to section 197ABA, if”.

(6) Schedule 1, item 11, page 7 (after line 25), after section 197AB, insert:

197ABA Children to reside at specified place rather than being held in detention centre etc.

(1) Unless the Minister receives a determination under section 197ABC from the Judicial Assessor, the Minister must make a residence determination for a child under the age of 18 years within 30 days of the day on which this section commences.

(2) Unless the Minister receives a determination under section 197ABC from the Judicial Assessor, if the Minister has made a residence determination under subsection (1) for a child, the Minister must also make a residence determination for any parent, brother or sister of the child if that parent, brother or sister is held in detention with the child.

197ABB Appointment of Judicial Assessor

(1) As soon as practicable after this section commences, the Minister must appoint a person as the Judicial Assessor for the purposes of this section.

(2) A person appointed as the Judicial Assessor must either:

(a) be a judge of the Federal Court of Australia; or

(b) have been:

(i) a judge of the Federal Court of Australia; or

(ii) a judge of the Supreme Court of a State or Territory.

(3) The role of the Judicial Assessor is to consider applications by the Secretary for a determination by the Judicial Assessor that a residence determination should not be made under subsection 197ABA(1) for a child or under subsection 197ABA(2) for a parent, brother or sister of a child.

197ABC Determinations by Judicial Assessor

(1) If the Secretary makes an application to the Judicial Assessor for a determination under this section for a child or the parent, brother or sister of a child, the Secretary must ensure that all information held by the Department relating to that person is made available to the Judicial Assessor.

(2) The Judicial Assessor must not make a determination that a residence determination should not be made for a child or the parent, brother or sister of a child unless the Judicial Assessor concludes that, if the person were allowed to leave immigration detention, there would be a significant risk that:

(a) the person would represent a danger to the safety and welfare of the Australian community or to a segment of that community; or

(b) the person would not be available if required for any further action under this Act.

(3) A determination by the Judicial Assessor under this section must:

(a) be made by notice in writing; and

(b) be provided to the Minister within 7 days after it has been made.

(7) Schedule 1, item 11, page 7 (line 28), after “189”, insert “or 196”.

(8) Schedule 1, item 11, page 8 (line 2), after “189”, insert “or 196”.

CHAMBER
(9) Schedule 1, item 11, page 9 (line 28), omit "The", substitute "Subject to section 197ABA, the".

(10) Schedule 1, item 19, page 12 (line 2), omit "2 years", substitute "90 days".

(11) Schedule 1, item 19, page 12 (line 10), omit "2 years", substitute "90 days".

(12) Schedule 1, item 19, page 12 (line 11), omit "2 years", substitute "90 days".

(13) Schedule 1, item 19, page 12 (line 15), omit "2 years" (twice occurring), substitute "90 days".

(14) Schedule 1, item 19, page 12 (line 22), omit "6 months", substitute "one month".

(15) Schedule 1, item 19, page 12 (line 31), omit "6 months", substitute "one month".

(16) Schedule 1, item 20, page 15 (line 5), after "189", insert "or 196".

(17) Schedule 1, item 20, page 15 (line 10), after "189", insert "or 196".

Mr McGAURAN (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.47 pm)—I move:

That the amendments be disagreed to.

At this late hour, at the close of the parliamentary sitting, I will be extraordinarily brief, to the relief of all members. Another hour or so at the minimum will be required for the House of Representatives to sit from this point on, so it is not a matter of filling out time or the like. Given the fulsome debate that was had on Monday of this week on the Migration Amendment (Detention Arrangements) Bill 2005 and the amount of time given on Tuesday to the opposition’s several amendments, I do not think there is really any need to go over old ground. It is all there in the Hansard for anybody to peruse, to comprehend and to make judgments on.

The government do not accept the amendments made by the Senate over the course of its deliberations which mirror the amendments and the votes taken in this place as put forward by the opposition. We reject the amendments dealing with the unfettered right of access to detainees by medical professionals and media representatives for the good reason that all detainees have a right, an entitlement, not a privilege, to request medical attention to be made available, and all media representatives can make appointments with specific detainees. So this amendment is trying to address a problem that does not exist, unless they want medical professionals and media representatives to be able to enter a detention centre at will. This is not Big Brother. The media do not have a right to survey all without the consent of the detainees themselves.

Another major amendment was for a judicial assessor to oversight the appropriateness of detention. Our view is that this is just another layer of bureaucracy, as the member for Reid knows, given the powers of the Ombudsman to already be involved in that process as well as several other bodies, not least of all the Human Rights and Equal Opportunity Commission, parliamentary committees, the media, legal representatives, non-government organisations, advocates and the UNHCR to boot.

There are also amendments whereby the Ombudsman would review the detention arrangements of a detainee after 90 days and every month thereafter. We reject this. Instead, our reforms deal with the Ombudsman reviewing the detention arrangements after two years and every six months after that. The opposition’s amendments are utterly unworkable and would sink the Ombudsman in a sea of red tape and procedure. Incidentally, we will be increasing the resources available to the Ombudsman so there is full transparency and accountability.

I will draw my remarks to a conclusion and summarise the government’s bill as introducing an even more flexible, compas-
sionate and soft detention and immigration system. We are very proud of what we have brought to the parliament. I do not believe the Labor Party’s amendments do anything except try to draw a difference between the two sides of politics. Instead, I invite them to back the sensible, reasonable, balanced legislation that we have submitted.

Mr LAURIE FERGUSON (Reid) (10.51 pm)—There was widespread disbelief last Friday when the Prime Minister said:

For many years I have been concerned about difficulties experienced by some refugees and asylum seekers, which result from policies implemented at a time of widespread anxiety that we might be engulfed by a flood of bogus asylum seekers. That fear has not been realised.

It was very useful at the time. He continued:

It’s time to review the policy framework established under different circumstances and adopt a more compassionate, transparent and accountable approach while maintaining the integrity of our immigration and refugee system.

As I said, there was a great degree of disbelief about that. In a way he was justifying his history, justifying the scare campaigns and the policies implemented at that stage, giving a few kindly words to the member for Kooyong that there were fundamental changes—and also, at the same time I guess, trying to give himself a veneer of charity and generosity via the comments that he had for many years thought this. The reality, as we indicated earlier, is that this deal, this backroom operation between the member for Kooyong, his friends and the Prime Minister, at the end of the day does very little.

Mr McGauran—It was consultation.

Mr LAURIE FERGUSON—The member opposite speaks of consultation. As I indicated on another day, what we have here is absolute distrust within the coalition of each other in this policy area. There have to be reports each fortnight to the member for Kooyong by an interdepartmental committee. It really gives you an inkling of the disquiet, the division and the uncertainty on the opposite side.

If we had any doubts about the implausibility of the comments of the Minister for Citizenship and Multicultural Affairs, sitting opposite, that our amendments were only driven by a need to be politically distinct, we have had two instances in just the last few days why Labor’s policies are much preferable and much more reasonable. We had a situation on Nauru where a family was released on a TPV and brought to the Australian mainland. The uncertainty that they will experience, as I understand it, with a three-year temporary protection visa reinforces the fact that one of Labor’s amendments is to provide certainty for people and after two years grant them permanent residence. If the department cannot overcome the onus of proof with regard to their claims, this is a far more sensible and a far more charitable approach towards those people. They should have certainty in their life. Mr Qasim has also occasioned a lot of debate in the media over the last week. These people were released on TPVs. It just shows the powers of the minister, the ability of the minister, if she so chooses, to find solutions to all of these problems.

As I noted earlier this week, we do not really need to go into debates as to Mr Qasim’s statelessness in order to find a solution for him. The question of statelessness is actually very important, because one of the demands of the Refugee Council, the Uniting Church and other forces in this country is that statelessness should become a condition for acceptance in our process—that we should go beyond the convention definitions and allow stateless people to be accepted here. This is an important debate and whether Mr Qasim is stateless legally is an important issue in this country for the future.
We must understand who stateless people are and who can be defined in this fashion if either side of politics decides to look at widening our refugee approval system beyond the conventions.

The other case where Labor’s policy was obviously driven home were the revelations that a psychologist on Christmas Island was unqualified. That again goes to Labor’s policy. We have the minister bemoaning the possibility of the media being given access. Labor also supports the right of independent medical access. This drives it home. There is a difficulty in getting the right kinds of people into these places because of remoteness—the kinds of people that might be attracted to working for contractors in detention centres et cetera. Again, this was an indication that Labor’s support for public control of these institutions and access by independent medical and media is a worthwhile proposal. This is just a continuation of the problems we have with medical attention in this sector. (Extension of time granted) The government has surrendered in the last month the need for greater access to psychiatric assistance in detention centres, the government has promised that access will occur far more often and Justice Finn recently declared that the government had breached its duty of care in giving psychiatric assistance to two Iranian detainees.

The minister can talk for the next 20 years about Labor trying to differentiate between these areas. Clearly, these two instances in the last week of inadequate medical care for people and the use of a TPV to solve a problem that could have been solved more easily prove my point. The people who today seem to have gained something by being released on a TPV still face an uncertain future. They still face the fact that they will be living in this country for a significant number of years separated from their historical background, their family, their culture et cetera. They will also face an uncertain future as to whether they will be allowed to stay in Australia, in this new land, or be returned to where they came from.

This deal that the member for Kooyong has basically accomplished involves complete dependence upon ministerial discretion and an interdepartmental committee—which, as I said at another time, is a clear indictment of the Department of Immigration and Multicultural and Indigenous Affairs—that is going to basically police them. That interdepartmental committee will have to report to the member for Kooyong and other people. I think those two ingredients undermine this deal. Labor is convinced that the outcomes here are minimal. They are not going to go as far as the member for Kooyong and others believe. We have indicated from the start that there is an incremental improvement here and that there are gains. Progress has been accomplished. Labor is not going to stand in the way of the legislation. We have been critical of minor parties who feel that grandstanding and exhibitionism in a situation where nothing is going to be accomplished is worthwhile. The reality is that there will be improvements for detainees. They are worthwhile, no matter how minimal we think they are. In that context, we will not persist with our earlier points.

Question agreed to.

Mr McGauran (Gippsland—Minister for Citizenship and Multicultural Affairs) (10.59 pm)—I present the reasons for the House disagreeing to the Senate amendments and I move:

That the reasons be adopted.

Question agreed to.
Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Clause 2, page 1 (line 7) to page 2 (line 6), omit the clause, substitute:

2 Commencement

This Act commences on the day on which it receives the Royal Assent.

(2) Schedule 3, item 3, page 6 (lines 18 to 22), omit the item.

(3) Schedule 3, page 6 (after line 26), after item 4, insert:

4A At the end of subsection 83-5(2)

Add:

; or (c) a supply that is disregarded under paragraph 188-15(3)(b) or (c) or 188-20(3)(b) or (c) (which are about supplies of rights or options offshore).

(4) Schedule 3, page 8 (after line 21), after item 16, insert:

16A Section 151-5

Before “You are eligible”, insert “(1)”.

16B At the end of section 151-5

Add:

(2) However, you are not eligible to make an annual tax period election if the only reason you are not required to be registered is because you disregarded supplies under paragraph 188-15(3)(b) or (c) or 188-20(3)(b) or (c) (which are about supplies of rights or options offshore).

16C Subsection 188-15(3)

Repeal the subsection, substitute:

Supplies that are disregarded

(3) In working out your current annual turnover, disregard:

16D Subsection 188-20(3)

Repeal the subsection, substitute:

Supplies that are disregarded

(3) In working out your projected annual turnover, disregard:

17 Application provision

The amendments made by items 1 to 16D apply to supplies made on or after 1 October 2005.
18 Transitional provision

For the purposes of sections 188-15 and 188-20 of the A New Tax System (Goods and Services Tax) Act 1999, in working out an enterprise’s current annual turnover, or projected annual turnover, at a time during July, August or September 2005, disregard a supply if:

(a) the enterprise through which the supply is made is not carried on in Australia; and

(b) the supply:

(i) is a supply of a right or option to use commercial accommodation in Australia; and

(ii) is not made in Australia.

(6) Schedule 4, heading to item 5, page 11 (line 30), at the end of the heading, add “of items 1 to 4”.

(7) Schedule 4, item 5, page 11 (line 31), omit “this Schedule”, substitute “items 1 to 4”.

(8) Schedule 4, page 11 (after line 32), at the end of the Schedule, add:

**Taxation Administration Act 1953**

6 Section 45-340 in Schedule 1 (method statement, step 1, after paragraph (a))

Insert:

(aaaa) Subdivision 61-K of the Income Tax Assessment Act 1997 (for mature age workers); or

7 Application of item 6

The amendment made by item 6 applies in relation to the calculation of an entity’s adjusted tax:

(a) for a base year that is the first income year starting on or after 1 July 2004 or a later income year; and

(b) only for the purposes of a PAYG instalment period that includes, or starts after, the day on which this Act receives the Royal Assent.

8 Section 45-375 in Schedule 1 (method statement, step 1, after paragraph (a))

Insert:

(aaa) Subdivision 61-K of the Income Tax Assessment Act 1997 (for mature age workers); or

9 Application of item 8

The amendment made by item 8 applies in relation to the calculation of an entity’s adjusted assessed tax for a variation year that is the first income year starting on or after 1 July 2004 or a later income year.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.00 pm)—I move:

That the amendments be agreed to.

The amendments to schedule 3 of the Tax Laws Amendment (2005 Measures No. 1) Bill 2005 allow affected non-resident enterprises to choose whether to remain registered for GST or alternatively to deregister and effectively be input taxed. This change will reduce compliance costs for affected enterprises that are currently registered and choose to deregister. The amendments also give effect to allowing non-resident enterprises until 1 October 2005 to prepare for the changes and to allow enterprises to deregister from 1 July 2005. The amendments reflect the government’s commitment to address genuine concerns raised by industry. Overall, this bill will substantially improve the competitiveness of domestic tour operators. I thank the industry for their consideration and assistance in relation to what was a bill which had to be introduced because it was an integrity measure in the tax act. They understood that, they have given us their feedback, and the government has listened.

In relation to the mature age worker tax offset, the amendments to schedule 4 ensure that the mature age worker tax offset will not be taken into account for the purposes of pay-as-you-go instalments. This is necessary to ensure that for all taxpayers the new offset is only available on assessment. Otherwise,
pay-as-you-go instalment taxpayers whose income from working varies from one year to the next could effectively receive too much or too little offset throughout the year. This would have to be reconciled on assessment and could create some difficulty for some taxpayers. The amendments also change the commencement date for the legislation so that it will commence on royal assent. This will avoid the legislation commencing retrospectively.

The mature age worker tax offset demonstrates the government’s commitment to the appreciation of older workers. All of us in this House agree—I think both sides would agree—that mature age workers are an integral part of the Australian labour market. They should be valued by employers, because they are less likely to be absent from work and they are a steadying influence on other employees. As such, all employers should be encouraged to look favourably upon mature age workers when looking at a balanced work force.

Mr FITZGIBBON (Hunter) (11.02 pm)—The opposition welcomes the amendments to the Tax Laws Amendment (2005 Measures No. 1) Bill 2005. I will address the first amendment first. That concerns the application of the GST on inbound tourism packages. This is a sensible change. It is still not perfect, I suspect, but I recognise that this is a very complex and difficult part of the law and an area where the application of the GST is quite difficult.

I might move on to make another point: this was one of the bills about which I had some complaint with respect to the government’s approach to both the introduction of the bill—the time the government gave the opposition to consider the bill—and the pace at which the government sought to rush the bill through the House. We raised these concerns—concerns raised with us by the industry. When the bill came to the House on the first occasion, the opposition indicated that it would be sending the bill to a Senate committee for closer scrutiny on the issues raised by the industry.

We have been absolutely vindicated in that regard. When this bill got to the Senate committee, the flaws were exposed. The industry had an opportunity to highlight the difficulties involved. As a consequence, to its credit, the government accepted that change was necessary. That change is reflected in the amendment put to the House tonight, an amendment that has already been recommended by the Senate.

I want to quickly make a broader point. We rise from this place tonight. I hope it is tonight; I suspect it is tonight rather than tomorrow. When we come back some time in August we will be facing a different dynamic in this place, a dynamic in which the government will have control not only of the House of Representatives but also of the Senate. It raises the threat that, in future, we may not have the same opportunity to scrutinise bills like the one before us tonight—the opportunity that we have enjoyed on this occasion.

Obviously that could have some very wide-ranging ramifications for taxation law in this country. For example, if this bill had come to us after August this year, if the opposition had raised the same concerns and if the government had chosen not to allow the bill to go to a Senate committee for appropriate scrutiny, we may have had pass through this parliament taxation law which would be inadequate and not economically efficient for the industry we are talking about. I make this point with some passion. I believe that it is important and will be important that the government is sensible in its approach to these issues post 1 July and that it allows the parliament to send these com-
plex taxation bills to Senate committees for scrutiny.

That is particularly the case for tax bills that pose some threat to section 55 of the Constitution. These are very large issues, recently underscored by the Visy case. Tonight I want to appeal again to the government to ensure that the Senate committee is allowed to scrutinise these bills in the future. The reasons are obvious with respect to this bill, but it will be even more important when it comes to bills that may pose some threat of being offensive to section 55 of the Constitution.

With respect to the second amendment, changes to the mature age tax offset, again we welcome the amendment. But I cannot let the matter pass without reflecting again on the initiative. The opposition has made it clear that this is an election commitment. We do not propose to oppose the amendment, but I still find it very difficult to accept—in the context of the Intergenerational report, the lack of savings in this country and the ageing of the population—that offering an older Australian $500 annually is going to have any effect whatsoever on his or her decision as to whether to stay in the work force. But it is an election promise. The opposition is not going to stand in the way. We welcome the fact that some of the more technical inadequacies of the bill have been tightened up.

Question agreed to.

TAX LAWS AMENDMENT (2005 MEASURES No. 2) BILL 2005

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Schedule 8, page 40 (after line 9), after item 2, insert:

2A Paragraph 58PC(1(d)
Omit “or 1 April 2004”, substitute “, 1 April 2004 or 1 April 2005”.

(2) Schedule 8, item 3, page 40 (line 11), after “made by”, insert “items 1 and 2 of”.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.08 pm)—I move:

That the amendments be agreed to.

The amendments to schedule 8 will extend by one year the transitional arrangements for the fringe benefits tax exemption for certain contributions to worker entitlement funds. Contributions to an existing worker entitlement fund are exempt when they are made in accordance with existing industrial practice and the contributions are made for the purposes of ensuring that an obligation to make leave payments, and that includes payments in lieu of leave or payments when an employee ceases employment, is met for the reasonable administrative cost of the fund. The amendments will provide certainty to employers making certain contributions to existing worker entitlement funds while they put in place new arrangements to comply with the requirements of the FBT exemption. No further extension of the transitional period is proposed as the extension of that period for one year should provide sufficient certainty for industry to come within the ongoing amendments from 1 April 2006.

Mr FITZGIBBON (Hunter) (11.09 pm)—In keeping with the arrangement that I have with the Assistant Treasurer I will be very brief. The opposition accepts these amendments but I cannot resist the opportunity to make the point that this is the bill the government itself amended after introducing it into the House. Now it has come back from the Senate with more amendments—some Democrat and some government
amendments. I only hope that in future the minister can get it right and not have us dealing with so many amendments after the introduction of the original bill. It underscores the point again that the government rushes these tax bills in here, expects us to consider them in a day and go through all our party processes and then asks us to pass it not only in this place but also in the Senate—and the day after they are moving their own amendments. By the time it gets to the Senate they are still moving their own amendments. We are disappointed that it takes them so long to get them right. Hopefully, after all of that kerfuffle, the Assistant Treasurer is somewhat closer to getting this bill right. We do not have any problems with the amendments. On that basis we support them.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.10 pm)—I thank the House and I thank the shadow minister. He is true to form tonight, as usual. I point out to him that this is a Democrat amendment which we think is sensible so we are agreeing to it, as I am sure all parties do.

Mr FITZGIBBON (Hunter) (11.10 pm)—I am happy to stand corrected—I could be wrong—but I understood we were dealing with a couple of amendments: one Democrat and one government. I ask the Assistant Treasurer to clarify that.

Mr BROUGH (Longman—Minister for Revenue and Assistant Treasurer) (11.11 pm)—I know it is late at night but that was TLAB1; we are onto TLAB2. TLAB1 did contain, as the shadow minister rightly points out, government amendments but TLAB2 is in fact an amendment of the Democrats. Still, we are quite happy with that.

Question agreed to.

COMMITTEES
Membership

The SPEAKER (11.11 pm)—I have received seven messages from the Senate acquainting the House of the appointment of senators to certain committees. As the list is a lengthy one I do not propose to read the list to the House. Details will be recorded in the Votes and Proceedings.

SUPERANNUATION BILL 2005
TAX LAWS AMENDMENT (IMPROVEMENTS TO SELF ASSESSMENT) BILL (No. 1) 2005
SHORTFALL INTEREST CHARGE (IMPOSITION) BILL 2005

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

WORKPLACE RELATIONS AMENDMENT (SMALL BUSINESS EMPLOYMENT PROTECTION) BILL 2004

Second Reading
Debate resumed from 8 December 2004, on motion by Mr Andrews:

That this bill be now read a second time.

Mr STEPHEN SMITH (Perth) (11.12 pm)—I move:

That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House:

(1) noting that the nation’s independent umpire in industrial relations matters, the Australian Industrial Relations Commission (AIRC), has examined and heard submissions concerning the impact of redundancy payments on small business;

(2) noting that the AIRC has found that the available evidence does not support the general proposition that small businesses across the board do not have the capacity to pay severance pay; but
(3) recognising the circumstances of those individual small business which are incapable of making redundancy payments, and calls on the Government to comply with the AIRC decision and to adopt mechanisms to address those individual businesses with a genuine incapacity to make redundancy payments”.

Labor opposes the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004. The second reading amendment I have moved highlights the key difficulty with the government’s approach in this bill. The bill seeks to overturn a decision of the full bench of the Australian Industrial Relations Commission. The government will claim that this bill is essential for the continuing viability of small business, but it will not explain why employees who work in profitable small businesses and who are made redundant through no fault of their own should be denied redundancy pay. What the government should do is find mechanisms to assist those small businesses which genuinely cannot afford to make redundancy payments. Labor is committed to ensuring that small businesses which genuinely cannot afford to pay redundancy pay will not have to.

This issue was thoroughly considered by the full bench of the Industrial Relations Commission when it made its decision on this matter. The commission, in reaching its decision, reiterated that the primary purpose of redundancy pay is to compensate employees for the loss of non-transferable credits and for the hardship imposed on employees when they are facing redundancy. The decision dealt extensively with the merits of the issues over a period of 16 days of formal hearings followed by supplementary hearings.

The commission set out three main considerations in support of its conclusion: small business is generally profitable; some small businesses make severance payments despite the absence of a legal liability to do so; and an absence of evidence to show that in jurisdictions where an exemption does not exist, small business is less profitable or more likely to fail. After weighing up evidence presented in submissions from various employer groups—the ACTU, state governments and the Commonwealth—the commission, the independent umpire, decided to grant small business employees redundancy pay in their awards. One rationale for the decision is that redundancies do not just occur when the business is unprofitable or performing badly. Employees can be made redundant if business is booming and is simply changing the nature of jobs within it.

I will go to some of the background of the Australian Industrial Relations Commission test case in this matter. Employees of medium and larger businesses have had this entitlement since 1984. In 1984 the Australian Industrial Relations Commission handed down its termination change and redundancy test case, providing a standard award entitlement to redundancy pay. This did not apply to businesses with fewer than 15 employees. At that time the commission said that redundancy pay was necessary to compensate for the 'inconvenience and hardship' imposed on employees by redundancy.

In August 2002, the ACTU applied to the commission to vary the redundancy provisions in awards. The ACTU sought to increase redundancy entitlements for employees with more than four years service and to remove the small business exemption. The Australian Industrial Group, the Australian Chamber of Commerce and Industry and the Commonwealth all opposed both of these claims. The full bench of the commission handed down its decision in March 2004. It decided: not to alter redundancy pay for employees with four years service or less; to increase redundancy pay for employees with more than four years service, scaling up to
16 weeks pay for employees with nine years or more service, which was similar to the then New South Wales standard; and to remove the small business exemption but to limit their redundancy payments to eight weeks, the same as the scale for larger businesses prior to this decision.

The full bench considered the issue of ‘inconvenience and hardship’ and confirmed that this includes: the loss of accrued long service leave, the loss of other forms of leave such as accrued sick leave, the loss of seniority and the loss of job security. It found there was a loss of job security due to:

... the incidence of part-time and casual employment among employees made redundant from full-time jobs.

The sad fact is that ABS figures also show that older workers are more likely to get retrenched than younger workers—the rate is highest among those aged 55-64—and workers with lower qualifications are more likely to be retrenched than those with higher educational qualifications. Being made redundant is costly and traumatic for employees, even more so when it happens to older or low-skilled employees.

In respect of the small business issue, employer groups and the federal government put a range of evidence before the commission to support their claim that small businesses had less ability to bear the cost of redundancy pay than larger businesses. The commission considered the evidence and came to the following conclusion:

It seems to us that the available evidence does not support the general proposition that small business has a relative lack of financial resilience and has less ability to bear the costs of severance pay than larger businesses.

We accept that this is true of some small businesses, but the evidence falls well short of establishing, as a general proposition, that small business does not have the capacity to pay severance pay.

Three considerations support our conclusion. The first is that small business is generally profitable.

The second is that some small businesses make severance payments despite the absence of a legal liability to do so.

A third consideration is the absence of evidence from those jurisdictions where the small business exemption does not exist, or in those industry sectors where it has been removed from the relevant federal award, that small business is less profitable or more likely to fail.

The commission also referred to ABS statistics that showed that 70.5 per cent of all small businesses are profitable, in addition to 7.5 per cent that break even, and this is similar to the corresponding figure of 75.3 per cent for medium-sized businesses. These ABS figures also show that 70 per cent of small businesses experiencing declining employment remain profitable. This is higher than the corresponding figure for medium-sized businesses, which is 66.1 per cent. The full bench also noted that in South Australia, whose state system has never had a small business redundancy exemption, the performance of small businesses compares favourably with those in the rest of Australia.

The Industrial Relations Commission has been mindful of the concerns of small business and the potential impact of its decision. On 8 June 2004 it issued a supplementary decision on this matter. This decision phases in the new redundancy requirements for small businesses by defining periods of service for small business employees. For the purpose of calculating redundancy, pay will only be counted from the date of that decision. If employees who have been working with the same small business employer for 10 years had been made redundant on 8 June 2005—one year from the supplementary decision of 8 June 2004—they would be entitled to four weeks pay. If this happens in two years they will be entitled to six weeks pay.
and so on to a maximum cap of eight weeks pay. Had the same employees been made redundant prior to 8 June 2005, they would not have been entitled to any redundancy pay. This supplementary decision substantially reduces the immediate financial impact of this decision on small businesses and will allow them to start to budget for future redundancies.

The bill was referred to the Senate Employment, Workplace Relations and Education Legislation Committee on 9 December 2004 and the Senate committee tabled its report on 14 March 2005. A large number of submissions were received from a range of parties representing employers, unions, community groups, state governments and the Commonwealth. The employer groups and the Commonwealth supported the bill. They contended that the removal of the small business exemption by the Industrial Relations Commission’s test case has dealt, as the Australia Industry Group submission puts it, a ‘body blow to jobs’ because small business is the largest employer in Australia and has important characteristics which warrant different treatment for redundancy pay purposes. The employer groups and the Commonwealth submitted that small business cannot bear the cost of redundancy pay; that a requirement to make redundancy payments will lead to reduced employment and firm closures; and that small business employees can obtain severance pay through enterprise bargaining from those firms for whom it is affordable.

The unions argued that the bill should be opposed as, in their view: it was based on a flawed analysis of the capacity of employers of fewer than 15 employees to make redundancy payments; the outcome of the AIRC test case set a lower level of redundancy payment for small business in recognition of their special circumstances; the bill seeks to constrain state industrial tribunals; and the bill goes further than merely overturning the AIRC decision and affects existing employee rights by changing the way in which the number of employees in a small business is determined.

The state governments also oppose the bill. They argue that it intrudes into a well-established area of state law, that overturning an AIRC decision undermines the role of the umpire and is inappropriate as the AIRC would have heard the merits of both cases in making its decision and that the bill goes further than overturning the AIRC decision and redefines the meaning of employees to exclude casual employees—unless they have been employed for a year on a regular or systematic basis—thus undermining an existing employee entitlement. The coalition majority report of the Senate committee concluded in support of the bill. Labor senators, however, dissented from the majority report and opposed the bill for a number of reasons. The Labor senators noted that the bill goes further than just overturning the commission’s redundancy decision; it removes rights that existed before the commission’s decision and fundamentally alters the powers of the commission to hear redundancy cases. The bill actually proposes to undo provisions that were inserted into federal awards arising from the termination change and redundancy case in 1984.

The bill makes redundancy pay for small business a non-allowable matter and thus removes the capacity of the commission to make orders with respect to redundancy pay by small businesses. The bill changes the accepted method of counting employees to determine whether an exemption from redundancy pay exists as previously all casuals were included in the count of employees. A concern was raised before the committee that the bill allows employers to structure their businesses in order to gain access to the redundancy pay exemption. Labor senators
also expressed concern that the government’s use of the constitutional corporations powers in order to extend the Commonwealth’s jurisdiction is a misuse of this power. Labor senators contended that the bill would create confusion and uncertainty for employers and employees alike because it overrides some aspects of the states’ regulation of redundancy but not others. Finally, Labor senators were not able to have satisfactorily explained to them why the relative financial liability of a business with 15 employees is any less than that of a business with 20 or 25 employees. For all these reasons, Labor senators opposed the bill.

The bill was introduced into the House on Wednesday, 26 May 2004. It lapsed with the 2004 election. It was reintroduced on 8 December 2004 and, as I have indicated, it was referred to the relevant Senate committee. On 3 April 2004, one week after the commission’s decision and before the commission had even finalised the settlement of orders arising from its decision, the government announced that it would indeed be introducing legislation to override the small business aspect of that decision. The bill would prevent the small business part of the commission’s decision from taking effect in federal awards and in the states in respect of constitutional corporations. The bill would exempt employers with fewer than 15 employees if they are covered by federal awards or are constitutional corporations covered by state awards. That means that the bill would over-ride any future decision of state industrial relations tribunals that may seek to flow on the commission’s decision. The Commonwealth—the federal government—is also calling on state governments to legislate to maintain the exemption of all small businesses from redundancy pay, so complementing the federal government’s laws in respect of small businesses that are constitutional corporations. Labor oppose this bull-dozer approach to the federal-state industrial relations interplay—part of the reason we will oppose this bill. Labor also strongly oppose the government’s attempt to yet again undermine the independence and effectiveness of the umpire—the Industrial Relations Commission.

Central to Labor’s reasons for our second reading amendment is the incapacity of some small businesses to pay. Labor are concerned about those small businesses who genuinely cannot afford to pay or provide redundancy pay. But, like the commission, Labor do not believe that this concern justifies exempting all small businesses from this obligation. In the words of the full bench of the AIRC:

It would be inequitable and unfair to exempt an employer from the requirement to make severance payments in circumstances where there is not an incapacity to pay.

Labor believe that efforts in this area should concentrate on ensuring that the process for small business employers to demonstrate an incapacity to pay should be readily accessible and simple. Small businesses who cannot afford to pay should not have to go through expensive, time-consuming processes to prove it. Labor want the processes for these exemptions to be simple and inexpensive, ensuring that small businesses that genuinely cannot afford to pay do not have to—and that is the purpose of our second reading amendment to this bill. We also recognise that the commission’s decision has already made it easier to apply for incapacity to pay by allowing applications to be made by an employer association on behalf of a number of employers. For those small businesses that are unable to pay because of insolvency, the redundancy obligations could, for example, be met through the government’s GEERS arrangements.

At the heart of these proposals is the Howard government’s ongoing attitude that
it has no respect for Australia’s institutions that have served our country well. It has systematically sought to weaken the influence and effect of the Australian Industrial Relations Commission, which has served Australia for over 100 years. When the commission brings down a decision that the government does not like, the government either seeks to strike that down through legislation or, as in the instance of the minimum wage case, seeks to remove the commission from the equation altogether. In the context of this bill, Labor consider that those small businesses that are able to pay redundancy payments to retrenched staff should do so. But we do recognise that those small businesses that cannot afford to pay redundancy pay to their retrenched staff should not be forced to so do. Labor will not support this bill, which seeks to strike down a properly considered decision of the full bench of the Australian Industrial Relations Commission. That is why we have moved an amendment which calls on the government to adopt mechanisms to address those individual businesses with a genuine incapacity to make redundancy payments.

The SPEAKER—Is the amendment seconded?

Mr Hayes—I second the amendment and reserve my right to speak.

Debate (on motion by Dr Stone) adjourned.

SUPERANNUATION
(CONSEQUENTIAL AMENDMENTS)
BILL 2005

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Schedule 7, page 23 (after line 12), at the end of the Schedule, add:

3 CGT roll-over—transfer of PSS Fund assets to pooled superannuation trust

Object

(1) The object of this item is to provide for a CGT roll-over so as to facilitate the exercise by the PSS Board of its powers under:

(a) section 22 of the Superannuation Act 1990 in relation to the PSS Fund; and

(b) section 20 of the Superannuation Act 2005 in relation to the PSSAP Fund;

Roll-over

(2) There is a roll-over if:

(a) one or more CGT events happen because the PSS Board ceases to hold all of the CGT assets of the PSS Fund; and

(b) because of the cessation, CGT assets (the identical assets) that, together, are identical to all the CGT assets of the PSS Fund just before the happening of the CGT events start to be held by the trustee (the transferee trustee) of a pooled superannuation trust (whether or not all the identical assets were assets of the PSS Fund just before the CGT events); and

(c) the cessation is part of a scheme under which CGT assets of the PSS Fund are replaced with units in the pooled superannuation trust.

Note: The transferee trustee may be the PSS Board—see subsection 960-100(3) of the Income Tax Assessment Act 1997.

(3) A capital gain or capital loss the PSS Board makes from each of the CGT events is disregarded.
For the transferee trustee, the first element of the cost base of each of the identical assets the transferee trustee holds is the cost base of the corresponding asset for the PSS Board at the time of the relevant CGT event.

For the transferee trustee, the first element of the reduced cost base of each of the identical assets the transferee trustee holds is the reduced cost base of the corresponding asset for the PSS Board at the time of the relevant CGT event.

For the purposes of the *Income Tax Assessment Act 1997*, a roll-over covered by this item is taken to be a same-asset roll-over.

**Interpretation**

An expression used in this item and in the *Income Tax Assessment Act 1997* has the same meaning in this item as it has in that Act.

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (11.30 pm)—I move:

That the amendments be agreed to.

The government’s proposed amendments to the Superannuation (Consequential Amendments) Bill 2005 modify the application of the Income Tax Assessment Act 1997 to provide for the effective deferral of any capital gains tax liability that would otherwise result from the restructure of the assets of the PSS fund by the PSS board. The deferral or capital gains tax rollover facilitates the PSS board establishing a pooled superannuation trust that will be used for investing the assets of the PSS fund and the assets fund of the PSSAP fund. These are the main superannuation funds for the Australian government employees.

The provision of the capital gains tax rollover reflects the fact that there will be no change to the underlying economic ownership of the assets at transfer. It also reflects a special circumstance of the new superannuation arrangements for new Australian government employees that would reasonably characterise the capital gains tax taxing points arising from the restructure as involuntary. I commend the amendments to the House.

Mr FITZGIBBON (Hunter) (11.31 pm)—The opposition welcomes and accepts the amendments.

Question agreed to.

**WORKPLACE RELATIONS AMENDMENT (SMALL BUSINESS EMPLOYMENT PROTECTION) BILL 2004**

Second Reading

Debate resumed.

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

Mr WAKELIN (Grey) (11.31 pm)—The purpose of the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004 is to negate the redundancy test case decisions of 26 March 2004 and 8 June 2004 by the Australian Industrial Relations Commission which, inter alia, will extend redundancy pay entitlements to federal award employees retrenched by small businesses. The bill achieves the small business exemption by making redundancy pay an allowable award matter only for businesses with 15 or more employees. The bill goes beyond the federal award system relieving incorporated small businesses whose employees are regulated under state employ-
ment jurisdictions from redundancy liability payments after 26 March 2004.

It is quite interesting to look at what proportion of Australia’s overall business sector is represented by small businesses. As of June 2003, the number of small businesses had increased to 1,179,300 from 1,122,000 in 2001. Of these, just over 660,000, 56 per cent, were non-employing businesses—up by five per cent since 2001. Just under 390,000, about 33 per cent, employed one to four people—down by two per cent since 2001. And about 124,000, or 11 per cent, employed five to 19 people—down 2.5 per cent since 2001. So small business represents a pretty significant part of our overall employment in Australia.

It had been industry practice for a very long time, as I understand it, that businesses with fewer than 15 employees were exempt from redundancy payment. Due to the Australian Industrial Relations Commission, who saw it another way, this has now changed—and that is the reason for the legislation. I think it is worth saying that there is a fundamental philosophical difference between the opposition and government. The figures are well known—that is, there has been a 14 per cent increase in real wages over the period of this government. There has been lower unemployment—lower, I think, than just about anyone would have anticipated if you had asked them 10 years ago.

I always like to remember a really fundamental story which was vital to my own state and its economic future. There was a bill called the Olympic Dam indenture bill. It involved the right to mine uranium and other minerals at a place called Olympic Dam near Roxby Downs in South Australia. People these days might relate the area more to the failed Xstrata bid and the successful BHP Billiton bid for WMC Resources Ltd, which has just been completed in recent weeks. Just remember that the figures amount to about $9 billion. Going back some 25 or 30 years, the bill hung in the balance in the upper house of the state parliament of South Australia. The bill only got through because a Labor upper house member said he would never vote against another man’s job.

I have never forgotten that. That man had the courage to defy his own party because he had the bigger belief that he should never deny another man a job. To me, that is quite a remarkable story. If you go back 25 years or so there was no value at all in that area. South Australia needed a boost—and I guess any region of Australia appreciates a boost when it is available—because at that time we were not travelling very well. That resource was virtually sitting there looking us in the eye, worth nothing, but as of the last few weeks it is worth around $10 billion. Many of us think it is probably worth a bit more than BHP Billiton ended up paying for it—and I am sure they hope that as well. If you look at the postcodes and gross income throughout Australia you will find that the income of those living at Roxby Downs is certainly amongst the highest in South Australia and amongst the highest in Australia.

That is why this bill reminds me of that hugely courageous Labor man who made all of this possible 25 years ago. I could go through the philosophy in great detail, but I will cut to the essence of it: the most important thing in life is to have a job. A job gives an individual a future. Within the normal occupational health and safety arrangements, a government should do everything it can to give people that opportunity. A government should encourage the development of skills and make sure we have an education system that is professional enough to give young people the best opportunity. But we should never lose sight of the fact that to create jobs you need businesses—and businesses can
only create employment if governments encourage them to get out and have a go.

I will conclude by saying a couple of things about the Industrial Relations Commission. For most of my working life, I earned below the average wage. That is just the way it was. I did not think about what a high wage, a medium wage or a low wage was. My circumstances were such that I happened to be self-employed in an occupation where my income was for most of the time below the average—adequate, but below the average. I mention this because one of the main reasons my income was below average was that, as an exporter, the costs of my business were to a very large degree dictated by the Industrial Relations Commission. That has been the situation for 100 years. We have this great notion that we should all get a fair go and be perfectly equal and entitled to our various bits and pieces. I worked much longer than the average daily hours and I believe I took more risks than most in my occupation. But that does not alter the fact that my income was below the average. I am not whingeing about that; it is just the way it was. But one of the main reasons was that the Industrial Relations Commission impacted on my costs as an exporter to a point where I could not have an income that was equal to the average for salary earners throughout the country. Good luck to them!

It was a pleasure to speak on this bill tonight, and I wish it speedy passage.

Mr HAYES (Werriwa) (11.41 pm)—I strongly oppose the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004. That does not mean I am supporting the views of the union movement over the views of small business owners or operators and it does not mean I am blindly supporting employees over employers. I am a supporter of both small business and employees. Contrary to the view of members opposite, there is no conflict in that position. The provisions of this bill go to the integrity of this government. Once again, this government has clearly demonstrated its disdain not only for the rights of Australian workers but also for the decisions made by the independent umpire, the Australian Industrial Relations Commission. Because the government did not like a decision made by the body charged with making such decisions, it has decided to overturn that decision by legislating against it. This approach is a matter of serious concern not just for members on this side of the House but for the community at large. The essence of this bill is to negate the redundancy test case decision of March and June 2004. According to the Minister for Employment and Workplace Relations, this bill is necessary to rectify a flawed decision by the AIRC.

I take this opportunity to take a closer look at the so-called flawed decision. In 1984 the Australian Industrial Relations Commission—then known as the Australian Conciliation and Arbitration Commission—inserted redundancy pay provisions into federal awards. The decision was known at the time as the termination, change and redundancy test case. The decision determined that longer serving employees would be entitled to longer periods of notice of termination and it established a basic scale for severance pay, capped at eight weeks pay. In the commission’s first decision, businesses with fewer than 15 employees were excluded from the notification and consultation provisions but not from the requirement to make redundancy payments. As I said earlier, there were two decisions relating to redundancy payments. The commission’s second decision—and this is the part that should not be forgotten—overturned an important provision of the first decision, resulting in businesses with fewer than 15 employees being exempted from redundancy payments.
In 2002 the ACTU sought to have the standard of redundancy payments of eight weeks reviewed. The ACTU was of the view that the then current scale of payment did not adequately compensate redundant employees. As a consequence, a broad case which was known as the redundancy test case was run. In similar circumstances to those in 1984 the AIRC made two decisions on this matter, the first decisions the AIRC had granted to extensions for redundancy payments in almost 20 years. For medium sized and large businesses the payment was capped at 16 weeks for between nine and 10 years service. That figure reduced to 12 weeks after 10 years, after taking into account the provisions of long service leave. The decision handed down in March 2004 also extended redundancy payments to small business but capped them at a maximum of eight weeks pay. Obviously such a provision was poorly received by business groups, and it was certainly poorly received by the Howard government, as it gave some measure of redundancy entitlement to employees of small business who hitherto had been entitled to zero.

In similar circumstances to the 1984 decision the AIRC reviewed its decision and amended its position in June 2004, and it issued a supplementary decision. In that supplementary decision the commission accepted the views presented by employer groups and the Commonwealth—yes, this government was represented. As a consequence, the operative date for small business redundancy provisions would only apply from 8 June 2004, irrespective of the actual commencement date of the employee. This was in recognition of the fact that many small businesses may not have made the necessary provisions to fund redundancy payments as there would have been a need to make ongoing provisions for redundancy. In other words, as a consequence of this decision, the commission eliminated the prospect of retrospective application for redundancy entitlements or the accrual of redundancy entitlements to employees of small business.

The parallel between the 1984 and 2004 decisions is interesting because, just as it had in its earlier consideration on this issue, the AIRC reconsidered its initial decision in light of further submissions from various stakeholders, including the government. After considering the decisions, amendments were made to accommodate some of those more serious concerns brought forward by employers. Reserving my personal comment on the content of that decision, I would strongly argue that the fact that it was reviewed is clear proof that the independent umpire in this system did its job well. It applied its jurisdiction appropriately. It took the merits of the arguments of the employers and the unions, and indeed the Commonwealth government, weighed them up and made a decision accordingly.

This is probably the most interesting aspect of the operation of the AIRC. In fact, I would go further and say that, in my experience, this sort of decision making and this approach to decision making has been the hallmark of the Australian Industrial Relations Commission. Members of the commission, both judicial and nonjudicial, all take an oath of office to act without fear or favour and all members of the commission, whether deputy presidents or commissioners, take that oath very seriously. However, it would seem to the government that things are not quite that way. I find it interesting that this bill is before us at all given the provisions of the June 2004 AIRC decision. It would seem that the government is not willing to acknowledge that the June decision even exists. The June 2004 decision supported the submissions of the Commonwealth government. I find it interesting that, given the primary objections that the government had to the
March decision—namely, that the financial aspects of the impact of redundancy payments on small business were reassessed in accordance with the June decision—even in its re-election documents of last year the government did not acknowledge the existence of the June decision or the role it had in making the submissions that eventuated in that decision. In its workplace relations policy document the coalition stated:

A re-elected Coalition will continue to pursue changes to take the unfair dismissal laws burden off the back of small business and protect small business from redundancy payments.

In this case the government seems to have ignored the fact that the latter decision had already been made by the independent umpire. This decision agreed with the Commonwealth and the employers and it clearly took into account the financial position of small businesses. The more suspicious amongst us might suggest that the government did not want to admit that the AIRC had overturned its earlier decision, because it might have ruined the planned scare campaign to be waged in the small business community based on statements such as those the minister made in his second reading speech that, in the government’s view, the AIRC decision seriously underestimated the impact that redundancy pay would have on small businesses. For instance, a retail small business with seven employees, each with four years continuous employment, would now face a contingent liability for redundancy pay of nearly $30,000. I am not a suspicious person, but I am deeply concerned both about what this bill means for small business employees and about how the government intends to reshape the industrial relations system as we know it.

Often we hear how important the small business sector is to our community and certainly our economy. That is quite true. We hear that it is the lifeblood of the Australian economy—it is a significant driver of growth, a significant exporter and, of course, a significant and growing employer. As at June 2004, there were nearly 1.3 million non-agricultural small businesses throughout Australia. Of those businesses, more than 400,000 employed between one and four employees and nearly 140,000 employed between five and 19 employees. With more than half a million small businesses employing at least one person, a considerable number of people will be impacted by these measures.

Small business is a growing sector—it is growing in most parts of Australia and it is certainly growing in my electorate of Werriwa. Under the provisions of this bill, employees of this significant growing sector will not have access to redundancy payments—not even small ones—unless they can negotiate them themselves, which I suggest is a very remote possibility given the fact that one’s bargaining position will be infinitely weakened once one is redundant and out of a job. Whilst this might not sound like much for those employed by small business without access to minimal redundancy, I think you will find it is significant. It is certainly significant for those that this government purports to be the champion of—the workers and employees of small business.

People regularly turn on their televisions at night and hear how senior executives of major corporations—corporations that they use daily, like banks, insurance companies and telephone companies—are receiving massive redundancy payouts. I refer to the $50 million payout made to the former chief executive of BHP Billiton, the $2.5 million payout made to the former chief executive of Goodman Fielder and the $1.4 million termination cheque handed to the former chief executive of AMP. Yet, according to the Howard government, employees of a small business, regardless of circumstance, should
not be entitled to one cent. So much for the government being the friend of the battler. Given a chance, this government is more than willing to cut them adrift. That is why the Labor amendment must be supported.

If the members opposite got out of their electorates and spoke to employees and not just the bosses, they would actually hear that people out there are concerned. Their concern stems from the greater uncertainty that they face in the modern workplace, and the provisions of this bill do nothing to help them—not one bit. Under Labor’s amendment at least one of their concerns would be alleviated. Under Labor’s amendment there would at least be an opportunity to receive redundancy payouts should the situation arise and should the small business in question have the financial capacity to make the payment. This is an interesting point, because the evidence that was presented to the Australian Industrial Relations Commission before its March 2004 decision did not support the view that small businesses, taken as a whole, were unable to afford redundancy payments. The commission noted:

For those businesses which are unable to meet their redundancy pay obligations the incapacity to pay provision, as amended by this decision, provides an avenue for relief.

So it is not the case that small businesses, taken as a whole, are simply unable to make contributions to redundancy payments. The commission accepted that, while in most circumstances small businesses could afford to pay redundancies, in some circumstances they might not and provision was specifically made to cover those circumstances. This situation is reflected in Labor’s amendments. If these amendments are adopted, the more than one million people employed by small business will at least be able to rest a little easier at night.

Given the radical agenda announced by the Prime Minister in late May, it is likely that at some point in the not too distant future the government will attempt to redefine the term ‘small business’, as it has done with respect to unfair dismissals, to provide that ‘small business’ will cover any organisation that employs 100 persons or fewer. Like most things to do with this government, it seems that the definition of small business is very flexible—an approach that seems to be more about bending to the government’s will than any practical concept. However, of greater concern than overcoming the two-tiered system that this government seems to be committed to creating is the fact that the government is more than willing to legislate to overturn the decisions of the independent umpire. As I noted earlier, in his second reading speech to the bill the minister said that this legislation is necessary because:

... it is the only option available to rectify a flawed decision of the AIRC.

Since 1904 Australia has had a federal tribunal with arbitral powers that could make decisions to establish awards specifying wages and conditions under the power to prevent and settle industrial disputes. Of course, over the last century the commission has gone through many changes in both its structure and its powers, but it has always maintained its central role as the independent umpire. The inclusion of an independent umpire has been an important and central element of our system of industrial relations. It is one that is critical to the transparency of our industrial relations system—an approach that recognises fairness and decency in protecting the rights of employees.

However, under this government it seems that the views of the umpire are to be listened to but only complied with as it suits. The decisions of the Industrial Relations Commission are to be considered but, if they are not liked, they can be legislated against.
Under this government the commission can just be neutered, as the Prime Minister recently announced. So much for the concept of judicial independence.

I am sure that it will be claimed that the provisions of this bill were clearly presented by the coalition in its industrial relations policy documents, but one wonders just how many people at the time would have taken note of what this government was intending in relation to employees of small business. On 26 May this year, the Prime Minister announced the new world order for industrial relations. The role of the independent umpire, the Australian Industrial Relations Commission, is going to be significantly reduced and the Australian Fair Pay Commission will be introduced. Having seen the way the government has treated the AIRC, I wonder if it is worth asking members of the new Fair Pay Commission to act without fear or favour. (Time expired)

Friday, 24 June 2005

Mr SLIPPER (Fisher) (12.01 am)—Mr Deputy Speaker Causley, I thank you for the call, but at the outset I would just ask that you take up with Mr Speaker what seems to me to be an inconsistency with the rulings on the part of the chair.

The DEPUTY SPEAKER (Hon. IR Causley)—If the member for Fisher wants to reflect upon the chair, I will deal with him.

Mr SLIPPER—Mr Deputy Speaker, I would not in any way, shape or form ever seek to reflect upon the chair.

The DEPUTY SPEAKER—The member for Fisher will resume his speech. I call the member for Rankin.

Dr EMERSON (Rankin) (12.03 am)—At midnight on the last sitting night before 1 July, I wish to speak on the matter of industrial relations as contained in this legislation, the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004. I will then expand my remarks, on what is clearly a historic occasion, to look at the reality that this parliament will change pro-
foundly from 1 July and, along with it, the industrial relations system in this country.

This particular piece of legislation, the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004, has its origins in a decision of the Australian Industrial Relations Commission, an institution that has been in existence for more than 100 years. After receiving a very large number of submissions, the Australian Industrial Relations Commission decided to extend eligibility for redundancy payments for small business beyond the pre-existing levels. Importantly, the legislation also provided that, in circumstances where a small business did not have a capacity to pay, that would be taken into account. If that case was presented, the small business would not be obliged to make redundancy payments.

It was a decision that obviously attracted a lot of public attention, a lot of attention from the business community and a lot of attention from the government at the time. Although we have had a tradition in this country of respecting the decisions of the Australian Industrial Relations Commission as the independent umpire, on this occasion the government did not respect that decision and sought to have the decision overturned. In fact, it made submissions and put pressure on the Industrial Relations Commission about the way the orders it had issued would be implemented. Subsequently, over a period of some weeks, orders were issued and, to the surprise of many, the Industrial Relations Commission—obviously feeling the influence of a very clear view put to it by the government of the day—issued orders which said, in effect, that the decision it had brought down some weeks before would have prospective application only. By that I mean an application whereby, even though an employee might have been in a particular small business for some time, the accumulation of eligibility for redundancy payments would occur only from the date of the issuing of those orders.

I can reveal that as shadow industrial relations minister I had discussions with a number of peak employer organisations around this issue. A number of them indicated to me that, in the unlikely event that the Industrial Relations Commission ruled that this would have prospective application only, they would be relaxed about the implementation of the decision. I say ‘the unlikely event’, but sometimes the unlikely happens. On this occasion, the unlikely did happen and the commission did, in the issuing of orders, make the application prospective only. Immediately, the business organisations changed their tune. I recall saying in parliament they had told me that this was a much more manageable decision from their point of view if it had prospective application. When it did have prospective application they expressed shock and horror and dismay, and the government legislated to overturn the decision of the Industrial Relations Commission. Basically, the government belted the umpire and frogmarched it off the field and said that it would put in place the legislation that we have here tonight.

I am a strong supporter of the small business community and I hear, not from time to time but with nauseating repetition, that members of the Australian Labor Party have no familiarity with small business—often this is said by members of the coalition who themselves have no familiarity with small business. I was a small business operator in a partnership for two years. I cannot say we accumulated massive amounts of wealth, but we fed our families and provided a reasonable standard of living from our guile and risk taking as small business people. So I do understand and empathise with the challenges confronting the small business community. But this decision was brought down by the commission. It was to have prospec-

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tive application only and yet the government has sought, through this legislation, to over-
turn that decision. This is an indication of what the attitude of the government will be
from 1 July onwards—that is, if you can do it, you will do it. The government has the
attitude that it can exercise total authority over the Industrial Relations Commission
and the industrial relations system from 1 July, and it will be done.

In the national interest, I think that is a
great shame. In the discussions that I had
with the business community as shadow
minister for industrial relations prior to the
last election, they implored me: ‘Please,
Craig,’ they said, ‘it is important that Labor
do not shift the pendulum too far to one
side, because otherwise, with an ultimate
change of government, the pendulum will
swing too far the other way and consequently
there will be great disruption for business.’ I
thought that that argument had merit and that
the proposals Labor took to the last election,
while repairing the damage that the coalition
had done in respect of industrial relations,
were not so extreme as to create a circum-
stance where the pendulum had moved too
far. But, upon the re-election of the Howard
government and—more importantly—upon
the imminence of the government having a
majority in the Senate, the very same people
who had made this compelling argument
about not shifting the pendulum too far im-
mediately began arguing for the pendulum to
shift to an extreme, and the government has
responded to that request by saying: ‘We will
do it because we can do it.’

It is poor advice from the business com-
community—that it is supporting virtually the
total deregulation of the industrial relations
system and the labour market in this country.
The consequence can only be that there will
have to be a remedy to the extreme policies
that the Howard government intends to apply
from 1 July. Those policies cannot be in the
national interest, they cannot be in the inter-
est of the business community and they cer-
tainly will not be in the interests of the work-
ing men and women of this country. From 1
July, effectively, the setting of the minimum
wages in this country will be taken out of the
hands of the Industrial Relations Commis-
sion and put into the hands of a body which
will be much more compliant with the gov-
ernment’s wishes. There will be a strong
preference for individual contracts in the
form of AWAs—Australian workplace
agreements—over collective bargaining.

You may recall a tussle between the two
parties about who was responsible for enter-
prise bargaining, a form of collective bar-
gaining. Labor pointed out that it introduced
enterprise bargaining in 1993. Government
ministers were saying that they were respon-
sible for enterprise bargaining. Whatever the
merits of the arguments that we were putting
up, we were actually arguing about who was
responsible for introducing enterprise bar-
gaining involving collective agreements.
Come the election victory of the Howard
government, the romance with collective
agreements has evaporated. The government
is now saying that the way forward is indi-
vidual contracts—not common-law contracts
which respect and adhere to a safety net, a
set of minimum award conditions, but AWAs
which can violate those conditions.

It is clear from the debate that has pro-
ceeded since then that the government does
not and will not give a commitment that the
previous application of a no disadvantage
test will continue. In the legislation in 1996,
which was a compromise between the gov-
ernment and the Democrats, with the intro-
duction of Australian workplace agreements
there was a requirement that, overall, any
particular employee would not be worse off
as a result of changes in working conditions
and rates of pay. That is the so-called no dis-
advantage test. If you examine the comments
of the Prime Minister, the Minister for Employment and Workplace Relations and the Treasurer since the election—but not before—you cannot find a commitment that the no disadvantage test will be maintained.

We should not be surprised about that, because this government does want disadvantage to apply. It has lauded and vigorously promoted individual contracts in the form of Australian workplace agreements for nine years, and yet, after nine years of vigorous promotion, AWAs have been picked up by not more than four per cent of the workforce. If AWAs were as marvellous as the Treasurer and the Minister for Employment and Workplace Relations have said in the last few days in the parliament, why is it that less than four per cent of the Australian workforce are on AWAs after nine years of vigorous promotion?

The answer is: they are not the magical solution. They do not unleash wonderful productivity gains. In many cases they are an instrument of coercion whereby job applicants are told, ‘You either sign the AWA or you do not have a job,’ and employees who are already there are told, ‘If you want to stay in the workplace you must sign an AWA.’ AWAs very often are standardised. The idea that they are individually negotiated is an absolute farce.

It is my firm view that the government is making a major strategic mistake with the raft of industrial relations legislation that it has before the parliament, including this bill before us tonight and the legislation foreshadowed in the recent prime ministerial speech. That strategic mistake is that the Australian people do not accept an unfair system of industrial relations in this country. The government, through this legislation, is going to give to employers almost unfettered power in determining the pay and working conditions of employees. Employers who are either greedy or under competitive pressure, having been given that unfettered power, will, I predict, in the future be cutting the pay and the working conditions of working Australians. When that happens, working Australians will rightly ask: ‘What happened? Where was the mandate for this? Where and when did the Howard government take to the Australian people a set of policies that said, “We will give to employers the capacity to cut your pay and working conditions unilaterally”?"

The truth is that the government did not take such legislation or such policies to the Australian people. When companies, through either greed or desperation, do in fact cut the pay and working conditions of working Australians, they will object strongly and someone will pay a price. That someone will be the Howard government and the Prime Minister of this country, because he will have empowered businesses to have total authority over employees in determination of their pay and working conditions. That is a most unwise position in which to put employers. But in the end there will be a day of reckoning. This country has grown up under a set of values where fairness has been a guiding light in the Australian society for the last 200-odd years. Fairness now is being thrown out the window through the government’s ideological obsession with busting unions and punishing people who happen to be members of trade unions.

The trade union movement is the biggest community based organisation in this country. It involves almost two million working Australians. These working Australians are not some sort of subgroup or insidious force in society. Members of trade unions are people with whom we come into contact on an everyday basis. When parents drop their children off at a child-care centre and wave them goodbye, the child-care worker who takes the children into his or her care is very
often a member of the great Australian trade union movement. If the son or daughter of working Australians happens to, in playing sport on a Saturday afternoon, have an accident and end up in a hospital or emergency ward, it is quite likely that the nurse who attends to that boy or girl is a member of the great Australian trade union movement.

I can tell you and the Australian people tonight that child-care workers are good people; nurses are good people; teachers, who take responsibility for educating our children, are good people; and people who work in the hospitality industry—often working very long hours and in tough conditions, cleaning hotels on very low pay—are good people. I am describing members of the trade union movement in this country. For absolutely mad ideological reasons the Howard government wants to destroy the institution of the trade union movement in Australia.

One of the reasons it wants to do that is that it thinks that if it can destroy the trade union movement it can destroy its political opponent, the Australian Labor Party. It is true that the Australian Labor Party is very closely allied to and linked with the Australian trade union movement. We have been for more than 100 years, and every member of the Australian Labor Party is proud of our bonds with the Australian trade union movement. We have been through tough times before. We are both resilient and we will both fight and we will both survive this. This government has embarked on a most unwise, stupid course, and the Australian trade union movement and the Australian Labor Party will work together to defeat this government and restore some fairness and decency in this country.

Mr SLIPPER (Fisher) (12.23 am) —I seek the leave of the House to continue my remarks on the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004.

Leave granted.

Mr SLIPPER—At the outset, Mr Deputy Speaker Causley, I will take your advice and seek adjudication from the Speaker on the matters of difference between us, which I raised here a little earlier.

Small businesses make up a significant proportion of the total number of businesses in Australia. When you look at the number of
jobs that have been created, Australian small business has played a key role in giving very many Australians the opportunity of getting one foot on the employment ladder. Small businesses are defined as those that have fewer than 20 employees. The later ABS figures—from 2001—indicate that, of the 6.9 million people employed in Australia, around 3.26 million are employed by small businesses. This recognises that some 47.2 per cent—very close to 50 per cent—are employed by small business. Interestingly—and of course you are a Nationals member, Mr Deputy Speaker Causley, so this will be of interest to you—these figures exclude those employed in the agricultural sector. That shows just how valuable the small business sector is to our economy and our overall way of life.

The Workplace Relations Amendment (Small Business Employment Protection) Bill 2004 aims to give some added protection to this valuable Australian economic asset. The bill aims to deliver an added element of certainty to small business owners—those with fewer than 15 employees—who have taken on perhaps the most difficult of all vocations. It is no secret that small businesses have a high rate of failure, and that brings with it a corresponding high rate of stress and worry for owners.

I know all about small business, because, as a lawyer, I set up a practice in the rumpus room of my parents’ home. My mother was the secretary and over a couple of years we built up a very successful business. I employed nine people and we acquired our own premises. I am aware of how difficult it is to set up a small business that will succeed. I also understand what it is like to get a telephone call from the bank manager to say that one’s overdraft is not quite what the bank manager would want to envisage.

The early years of establishing a business, trying to massage it into shape to a place where it is both profitable and stable, is a path that is fraught with obstacles. Statistics show that small businesses go belly up in the first years of operation at twice the rate of larger businesses. Part of the reason for this is that many small businesses do not have the necessary advice on how to grow and succeed. But what is concerning is that, even after 10 or 15 years, those operators in the small business sector are still over 1.5 times more likely to go broke than those in larger businesses. It is a harsh indicator that the life of a small business owner is not an easy one.

Quite often, of course, people like the idea of going into small business. They are in some senses seduced by the romantic nature of running their own show. But what we need in our community is more advice to people to make sure that more of those people who are prepared to stand up, as we are as Australians, and have a go, are given the wherewithal to make it as possible as it can be that those businesses are in fact going to be a success.

In spite of the ever present doom and gloom that accompanies those widely circulated statistics, small business owners have no choice but to soldier on in their crusade for success. By and large they are dependent mostly on themselves if they are to reach their business goals. They must spend countless hours completing book work to keep their finances in order, while also balancing many other demands on their time, such as monitoring stock levels, meeting legal requirements, maintaining customer service and ensuring overheads are kept in check.

The biggest overhead for many businesses is the cost of staff. Operators must balance the need to have enough staff to ensure business efficiency while not having so many staff that it becomes a financial burden. A
management mistake in this area can prove disastrous for a small business’s bottom line. I can well recall in my own legal practice how one used to agonise over whether one would put on a more mature age person, who would cost more and in many respects offer more to the business, or whether one would, shall we say, take the cheaper option and employ a younger person. Ultimately my own experience in business has been that it is usually better to employ a mature age person who is able to be the business’s window to the world. But, given the cost pressures that impact on small business, one can understand that many businesses may make a different decision, and in many cases a different decision may also reflect on whether or not that business will succeed.

The number of different pressures and issues facing small business owners are numerous. The Workplace Relations Amendment (Small Business Employment Protection) Bill 2004 we are discussing today takes away some of the staffing worries in relation to redundancy pay outs. The bill relieves small businesses with fewer than 15 employees from the necessity of forking out redundancy payments for retrenched staff employed under federal awards. In March 2004 a decision by the Australian Industrial Relations Commission meant that employers with fewer than 15 employees could now find themselves liable for redundancies. The AIRC test case decision determined that a previous exemption for small businesses from paying redundancies should be removed. This is an extra concern that has been piled onto an already high mountain of daily concerns for small business owners. It must be pointed out that small business owners are among the most cash strapped in Australia and it is not uncommon for them to have low liquidity and high bank loan commitments. I used to act for banks, building societies and other financial institutions and I well know that many other small businesses obviously had a day-to-day struggle simply to survive and succeed.

It is difficult for all businesses, no matter how big and no matter how small, to prepare for significant and sudden financial demands, but for small businesses the responsibility of meeting such new demands would be ever more demanding. Compulsory staff redundancy payouts are one such intangible liability. This is on top of the already tough climate, which I mentioned earlier, in which all small businesses exist. The introduction of redundancy payouts for businesses with fewer than 15 workers would spell disaster for many of those operations. Members will remember that I said earlier that small businesses with fewer than 20 workers account for more than 47 per cent of the Australian work force and—Mr Deputy Speaker Jenkins, I quite sincerely welcome you to the chair—that means that close to 50 per cent of small businesses have fewer than 20 workers.

Redundancy payouts suggested as a result of the test case are equivalent to two weeks pay per year of service or part thereof. For employees who have worked for a small business for more than one year but less than two years, it would amount to four weeks pay; for those who have worked for more than two years but less than three years, it would amount to six weeks pay; for those who have worked for three years but less than four years, it would amount to seven weeks pay, and so on. Those redundancy payout obligations suggested by the decision are yet another heavy object hanging over the heads of small business, waiting for the moment to fall. Many small businesses do not have the means to prepare for something that may or may not happen, but the fact is that it could happen. Of course, the fact that it could happen is the killer.
The most recent Australian Bureau of Statistics figures, again from 2001, outline the various reasons for failure given by bankrupt small business owners. Thirteen per cent said they went bankrupt due to lack of capital and 33.8 per cent said they went bankrupt due to economic conditions. Those two categories added together account for 46.8 per cent of small business bankruptcies. The menace of compulsory redundancy payouts could very well help to shove a small business into one of those two categories: bankrupt due to lack of capital or bankrupt due to economic conditions.

This is a very important bill before the chamber. The Workplace Relations Amendment (Small Business Employment Protection) Bill 2004 takes away that menace. The changes proposed in this bill do not take away a small business’s right to make a redundancy payout if it chooses, but it does take away any obligations to do so. More often than not small business owners, as opposed to large business owners, have a closer personal relationship with their employees. If the small business goes broke, the concerns of the operator often extend to concerns for the future of the workers. It may well be the case that, when a small business owner makes the regrettable decision to retrench a worker, he or she may actually desire to pay a redundancy. For those small businesses with the means to do that, it is applauded; for those small businesses doing it tough, it is not a strict requirement that could send them to the wall.

The threat of redundancy payout liabilities will impact on a small business owner’s decisions: a decision to hire a new employee will be made in the shadow of possible redundancy payouts; a decision to increase a bank overdraft will be made in the shadow of possible redundancy payouts; and a decision to invest in new or better equipment to help the business grow will be made in the shadow of possible redundancy payouts. It really is obvious that the threats to small business brought on by the test case far outweigh the protection it hopes to give to workers.

It is responsible and sensible for the Australian government to introduce these legislative changes to protect small business and ensure security for a vital Australian business sector. This bill, the Workplace Relations Amendment (Small Business Employment Protection) Bill 2004, amends the Workplace Relations Act 1996 to maintain the exemption for small business from redundancy pay by overturning the recent decision of the Australian Industrial Relations Commission imposing redundancy pay obligations on small business.

Everyone accepts that it is important to have an independent umpire in industrial relations, as in other spheres of human activity, but there has been a major concern in relation to a number of decisions made by the Australian Industrial Relations Commission. While I suspect that the member for Werriwa was entirely consistent and entirely sincere in the remarks that he made in relation to the support of the AIRC, that level of support for that body is not shared by the Australian community and is certainly not shared by the Australian government. That is one of the reasons why the minister has proposed certain changes that will bring about a situation which will protect both employers and employees. I believe this is a change that certainly ought to be applauded by all honourable members. The feedback I am getting from my community is that they are very strongly supportive of the changes announced by the minister for industrial relations.

The Workplace Relations Amendment (Small Business Employment Protection) Bill 2004, relatively speaking, is a small bill.
It is an important bill. It is a bill that enhances our credentials as a nation about fairness. I am particularly pleased to have the opportunity of commending this bill to the chamber.

Debate (on motion by Mr Abbott) adjourned.

CRIMINAL CODE AMENDMENT (SUICIDE RELATED MATERIAL OFFENCES) BILL 2005

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Schedule 1, item 1, page 3 (line 17), after “incites”, insert “committing or attempting to commit”.

(2) Schedule 1, item 1, page 3 (line 20), after “incite”, insert “committing or attempting to commit”.

(3) Schedule 1, item 1, page 3 (line 23), after “incite”, insert “committing or attempting to commit”.

(4) Schedule 1, item 1, page 4 (line 20), after “incite”, insert “committing or attempting to commit”.

(5) Schedule 1, item 1, page 4 (line 23), after “incite”, insert “committing or attempting to commit”.

(6) Schedule 1, item 1, page 5 (line 8), after “incites”, insert “committing or attempting to commit”.

Mr RUDDOCK (Berowra—Attorney-General) (12.37 am)—I move:

That the amendments be agreed to.

I welcome the support indicated in the Senate for the amendments proposed by the government and hope that that support will be forthcoming here. The government amendments will insert the words ‘committing or attempting to commit’ after the words ‘counsels or incites’ and before the word ‘suicide’ in proposed subsections 474.29A(1), 474.29A(3) and 474.29B(1) of the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005. The amended wording is intended to clarify the definition of the term ‘counsels’. In the context of these offences, the term ‘counsels’ is intended to have a narrow meaning. This change of wording is intended to specifically distinguish the counselling services that are provided to suicidal people by organisations such as Lifeline from the conduct intended to be caught by these offences. The offence will cover the encouragement or urging of a person to commit suicide and the giving of advice or assistance directed at the actual commission of suicide. I commend the amendments.

Mr McCLELLAND (Barton) (12.38 am)—The opposition fully supports the amendments. The amendments provide additional clarity and assist in the Criminal Code Amendment (Suicide Related Material Offences) Bill 2005 achieving the appropriate balance between its object of preventing people from encouraging others to commit suicide, on one hand, and, at the same time, enabling people to engage in legitimate political debate, so the opposition fully supports these measures.

Question agreed to.

SUPERANNUATION LEGISLATION AMENDMENT (CHOICE OF SUPERANNUATION FUNDS) BILL 2005

Returned from the Senate

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

House adjourned at 12.40 am until Tuesday, 9 August 2005 at 2 pm, in accordance with the resolution agreed to this sitting.
NOTICES

The following notice was given:

Mr Bowen to move:

That this House:

(1) notes the International Covenant on Civil and Political Rights, of which China is a signatory, guarantees the right of freedom of religion for all citizens;

(2) notes that Chinese Christian activists Liu Fenggang, Xu Yonghai, Zhang Ronglian and others have been incarcerated for relaying information about human rights abuses to people outside the country;

(3) notes that tens of thousands of Falun Gong practitioners have been incarcerated in labour camps, with no chance of judicial review, and that China continues to harass and intimidate Falun Gong practitioners in other countries including Australia;

(4) notes that the Chinese Government continues to deny the Catholic Church in China the right to maintain its links to Rome, and has imprisoned many Catholic bishops, priests, religious and lay people who have refused to support the bogus Catholic Church set up by the Government; and

(5) calls on the Federal Government to inform the Chinese Government of the view of the House that the citizens of China should be allowed to peacefully practice their religion, whatever it may be, in freedom.
The DEPUTY SPEAKER (Mr Jenkins) took the chair at 9.30 am

STATEMENTS BY MEMBERS

Fiji

Mr SERCOMBE (Maribyrnong) (9.30 am)—In May 2000 a group of thugs burst into Fiji’s parliament and took the government and the parliament hostage. At much the same time, hundreds of their associates were ransacking the capital, Suva. This obviously had a devastating impact on Fiji’s economy and society and particularly its tourism industry. The government in Fiji has recently introduced into its parliament a bill with the fine-sounding title of Promotion of Reconciliation, Tolerance and Unity Bill. This bill seeks to redefine the criminal activities of the coup perpetrators, to grant amnesties to perpetrators and to provide relief from prosecution and sentence to some of their political affiliates. Needless to say, this bill has received a strong reaction both in Fiji and internationally, including in Australia.

The President of the Australian Law Council recently said that the bill risked putting an end to the rule of law and the hopes of Fijians to live in a democratic country. The Fijian Labour Party has talked about the bill’s insidious motives that appear to enable perpetrators of the coup to seek amnesty on the basis that political crimes should not be seen as criminal activity. The American ambassador to Fiji has made his government’s views plain by saying the bill is a risk to investment. New Zealand’s foreign minister said:

Against that background, it is particularly disappointing that the Australian government’s response so far has been resounding silence. There was further serious news from Fiji just yesterday. There are reports that the government has asked the President of Fiji to suspend the commander of Fiji’s armed forces for making public comments opposing the government’s Promotion of Reconciliation, Tolerance and Unity Bill.

Australia has very substantial stakes in the stability of Fiji and in ensuring that the rule of law and democracy prevails. But what have we seen of the government’s fine rhetoric on these sorts of matters, as applied in the Pacific and elsewhere? We have seen resounding silence. That is simply not good enough. We are not in the business of interfering in the internal affairs of neighbouring countries; however, this issue does raise crucial points in the international community and substantial sections of the Fijian community, who are deeply concerned. It seems to me to be crucially important at this critical stage that the Australian government makes its commitment to the rule of law and democracy in Fiji and support for that very explicit and, in serious discussions with the Fijian administration, seeks some way forward in this matter.

Drug Action Week

Mr BILLSON (Dunkley—Parliamentary Secretary (Foreign Affairs and Trade)) (9.33 am)—I rise today in acknowledgment of Drug Action Week and to pay my tribute to the many selfless and dedicated men and women who work to assist drug and alcohol users in my community to find a more productive, positive and engaging pathway for their lives. Drug Action Week activity leads nicely into the Dunkley drugs need analysis final report, which
was funded by the Howard government to do stocktake of the kinds of services and support that are available to people requiring assistance with their drug and alcohol use in our region. It revealed some very interesting findings. First of all, it revealed that there was a very strong recognition and appreciation of the quality and the dedication of the men and women working in the services that already exist. Given this week is Drug Action Week, I would like to draw that to the attention of the House.

An important recommendation, one that I have been almost evangelically pursuing since I was elected, was the crying need for additional residential detoxification and rehabilitation services. It seems odd, and it strikes me as a great hardship, that there are almost twice as many residential detoxification and rehabilitation beds in New South Wales than there are in the state of Victoria. Quite frankly, getting help when you need it should not be like winning lotto.

What we all know and understand is that, when an individual makes the personal and emotional commitment to find a more positive and constructive pathway for their life, to get opportunities back within their reach and to correct some of the errors in terms of missed potential that drugs and alcohol use may have provided, we should be ready to provide that assistance at the time when it is being sought, when the person in need of help is looking for and seeking a partner—someone who can support them at this difficult time to find that more constructive and positive pathway for their life. The report recommends that there is a need to pursue this service and these facilities in the Greater Frankston-Mornington Peninsula region. There is a need to make sure that families are more properly supported.

That leads nicely into a recent announcement I was able to make that Odyssey House Victoria has received some additional funding from the federal government to make sure that families that have a drug or alcohol issue that puts pressure on children are getting support so the children do not become the secondary victims of this insidious disease of excessive drug and alcohol use. I commend Odyssey House for their work and hope that we can partner to have a short-term stay program in the region that I represent that can segue into Odyssey House’s existing programs so that support, services, expertise, encouragement and, particularly, opportunity are available to people suffering from drug and alcohol conditions to make a better choice about their lives and so that we are there as partners to support them and their families at that difficult and challenging time.

Darrell Lea Chocolate Shops Pty Ltd

Mr McCLELLAND (Barton) (9.36 am)—I rise today to congratulate a local company in my electorate, Darrell Lea Chocolate Shops Pty Ltd, along with their employees and their trade union, the AMWU, on the impressive stance they have taken on skills enhancement. In June last year the company reached an agreement with the AMWU to improve productivity and terms and conditions of employment. The parties identified key performance indicators that were necessary to advance the interests of the business, including securing lucrative export markets. The parties recognised that, to achieve those performance indicators, it was necessary to have a highly skilled and highly trained work force.

To improve quality and productivity as well as job satisfaction, Darrell Lea and the AMWU recognised that training could achieve a situation where workers were not only skilled in their immediate tasks and responsibilities but also achieved a broader understanding of the whole production process. Through conducting a skills audit it was quickly realised that employees
who perhaps in the past had been regarded as untrained were actually highly skilled in particular areas. The task of identifying performance indicators and focusing on the broader development of both individual skills and skills across the workplace was achieved through leadership from both the employer and the union.

On 8 June this year I had great pleasure in presenting 130 employees of Darrell Lea with their certificate I in Food Processing. All the employees, many from non-English-speaking backgrounds, were deservedly immensely proud of their achievement. I would like to publicly recognise the work of the Chief Executive Officer of Darrell Lea, John Tolmie; the Human Resources Manager, Tom Hearn; and the encouragement provided to them by the Lea family, including Michael Lea and Jason Lea. I would also like to congratulate Bruce O’Keefe, an organiser with the AMWU, and Michelle Burgess, the Secretary of the Food and Confectionery Division of the AMWU. This local success story demonstrates what can be achieved through a cooperative approach to industrial relations focusing on skills enhancement, which is so vitally important not only to individual enterprises but to our nation as a whole.

Television: Channel 10

Whaling

Ms GAMBARO (Petrie—Parliamentary Secretary to the Minister for Defence) (9.38 am)—I rise today to speak on two issues that are greatly troubling people in my electorate of Petrie. The first is a decision by Channel 10 to broadcast Big Brother, which is nothing more than the thin edge of the wedge in the race to televise pornography on free-to-air television in Australia. I join with others to call for Australia-wide boycotts of products that are advertised within this degrading and decadent rubbish that is being portrayed so prominently to younger members of our community as the normal way of life. I realise that Channel 10 may be struggling in the ratings—and I saw on last night’s news that their share price took a bit of a dive—and they see this as a way of trying to compete with cable TV, which is making life difficult for the seemingly undertalented and grossly overrated program producers at the Ten Network. But I will no longer sit back and watch our young people have their morals compromised by this garbage that is served up in the guise of entertainment.

It is time to start asking consumers of Australia why they want to support advertisers that are complicit in this degeneration of standards in free-to-air television. Some people will brand me as a wowser, and everything that goes with that, but I am the mother of two teenagers and I will not stand idly by and watch this negative morass of mediocrity attempt to pervade the thinking and moral standards of decent young people in our community. Sadly, the mighty dollar is the only way that people can really make things happen.

The second issue I want to address today is that of Japanese whaling for supposedly scientific purposes. In my electorate of Petrie, people are still concerned about the practice and the damage that it is causing to these beautiful endangered species, not to mention the risk to the tourism industry which has developed around the whales’ annual pilgrimage to breed in the warmer waters off the Sunshine Coast. Whale watching is indeed a very valued activity in my area of Petrie. That is why when the issue first arose I began collecting signatures on a petition to the government and people of Japan. The petition is simple and we have even had it translated to save them the trouble when it is delivered. It reads:
This petition from the citizens of Redcliffe, Australia to the citizens of our sister city of Onoda in Japan, draws attention to the decision by the Japanese Fisheries Agency (JFA) to embark on a new whaling programme in the Southern Ocean this year.

We, the undersigned, urge the citizens of Onoda to lobby their Government to end the JFA's de facto commercial whaling that is carried out under the pretext of scientific research.

Enfield Community Food Centre

Ms KATE ELLIS (Adelaide) (9.41 am)—I rise today to speak on a fantastic organisation in my electorate, the Enfield Community Food Centre, which I had the pleasure of visiting twice earlier this year. The centre sells food and household products at more affordable prices than the average supermarket and is relied on by many people who find it hard to make ends meet.

From the humble beginnings of a household refrigerator and a kitchen table, the centre has grown into a low-cost supermarket serving between 500 and 700 families each year. It was established in 1990 by a group of residents from Blair Athol and other inner northern suburbs who were concerned about poverty in the local area. The food centre is staffed by a team of dedicated volunteers. There are about 60 volunteers who contribute around 400 hours per week. They are drawn from churches and the local community and are the backbone of the operation. Chatting with them is always inspiring. They give of themselves so selflessly, and they are always helpful and cheerful.

Recently, the centre’s future was in doubt after its rent was substantially increased. I was contacted by the centre manager, Neville Mibus, for assistance. After visiting the centre I wrote to the federal Minister for Family and Community Services and to the South Australian Premier, Mike Rann, requesting assistance for the centre. On 3 June 2005 the South Australian state government announced a $68,000 package, including a $63,000 financial injection by the state government, to help ensure the centre’s future. The rescue package will not only give the Enfield Community Food Centre financial assistance but also help in business and financial planning and marketing to ensure its long-term future.

Strong representations on the food centre’s behalf had also been made to government by the state member for Enfield, John Rau MP, and Port Adelaide Enfield councillor Joanna McLuskey. I was really pleased to attend a morning tea at the centre earlier this month where the South Australian Minister for Families and Communities, the Hon. Jay Weatherill, presented the assistance package to the management committee and volunteers of the centre.

So often people in this House speak of community. However, it is always inspiring to see what it means in a concrete sense. Fifteen years ago residents in the north of my electorate had a vision to make a real difference in their local community. They could see a problem and did something about it. The results speak for themselves. Today, the Enfield Community Food Centre provides low-cost groceries to those most in need: over 500 disadvantaged families and low-income earners whose lives are made easier through the generosity of spirit in their local community.

The Enfield Community Food Centre will be celebrating its 15th anniversary at a dinner on 1 July which I will be attending. I would like to take this opportunity to commend each and every member of the team for the valuable contribution that they make each and every day. Fifteen years of service to the community is certainly a wonderful achievement that should be congratulated. (Time expired)
RESULTS Australia

Mr WOOD (La Trobe) (9.44 am)—Today I would like to draw your attention to a group of people dedicated to reducing global poverty. One quarter of the world’s population lives in abject poverty and 28,000 children die every day from preventable causes. RESULTS Australia is part of an international advocacy network of ordinary people working towards the eradication of hunger and poverty. This group is working tirelessly to achieve the following goals: to advocate on behalf of the world’s poorest people, to empower individuals to be agents of change, to raise public awareness of poverty related issues and to build collaborative partnerships for action. RESULTS is an acronym for Responsibility for Ending Starvation Using Lobbying Trimtabbing—which means maximum effect for minimum effort—and Support.

On 19 April this year, RESULTS Australia launched their eye-catching bookmark in Belgrave in commemoration of the UN International Year of Microcredit. Mr Deputy Speaker Jenkins, I can see that you are impressed with the bookmark. I am glad to see that. The leader of the Hills group based in Belgrave in my electorate of La Trobe, Emmanuelle Emile-Blake, generously hosted microcredit supporters at her home to celebrate this bookmark and enjoy afternoon tea. I was fortunate to be a part of the bookmark launch with the RESULTS team in their efforts to fight global poverty. The RESULTS team are launching a pre-stamped envelope in Sydney on 5 July and I wish them well with that initiative. I congratulate the members of the RESULTS Australia committee: Sue Packham; Ian Sansom; Maree Nutt, who is the National Manager; Mark Rice; Iris Hately; and Emmanuelle Emile-Blake on their dedication to reducing global poverty.

This international group advocates initiatives such as microcredit—the use of microloans for the poorest to set up small business ventures—debt forgiveness and the provision of basic health, sanitation and education services. Microcredit provides small collateral free loans for self-employment to very poor people. Microcredit is a critical tool in fighting against poverty. More than 80 per cent of the borrowers are women, who use the income from their small businesses on better nutrition, improved living conditions and better levels of health and education. In 1997 more than 2,900 people from 37 countries attended the Microcredit Summit in Washington DC. The summit launched a nine-year campaign to ensure that 100 million of the world’s poorest families receive credit for self-employment and other financial and business services by 2005. Reaching 100 million of the world’s poorest families, especially women, with microcredit will actually benefit about 500 million people overall. I am very proud to be associated with the local RESULTS group; they are doing a fantastic job. Keep up the great work.

QantasLink Newcastle

Ms GRIERSON (Newcastle) (9.47 am)—I rise to lodge my support for all the working people of Newcastle and the Hunter Region and their families as we enter a very uncertain era in industrial relations. This week, 14 QantasLink employees at Newcastle airport have been given notice of retrenchment. Sadly, Qantas’s parent company has tendered out those services. They are customer services like desk ticketing services, the sorts of people that everyone here deals with every day when they are travelling. They already provide an exemplary service and are very committed to their work. They were at first given two weeks notice of their retrenchment. Then they were told that it would perhaps be extended to August. Then, following interventions, Qantas are now saying that it is up to senior management and that senior man-
agement still have to ratify this. Workers in those jobs are particularly uncertain about their future.

QantasLink have been an excellent corporate citizen in our region. They have sponsored our football team and taken up services when there has been a clear need for additional services to Sydney by sponsoring Aeropelican and Brindabella Airlines from Canberra. They have been a good corporate citizen. I am very disappointed that they were not the successful tenderer for these jobs—as these 14 workers would have stayed in their positions. The tender has gone to a firm called Skystar. As QantasLink, at least Eastern QantasLink, has the lowest pay rates in Australia, I shudder to think what the workers are going to have to compromise if they transfer over and are taken on by Skystar. It seems to me that Qantas can afford not to make those sorts of decisions. They also have a responsibility to aviation security. If workers are going to be contracted out at the lowest possible price, then there is a real danger that we get the lowest possible service. It means that aviation security culture is not established at any of our airports.

I thank QantasLink but I also say to Qantas: ‘Not good enough—you can do better.’ Aviation in our region has just boomed and they are the beneficiaries of it. Of course, this new contract has come with Jetstar’s increased activity in the region. Jetstar had agreed, I thought, to put their maintenance facility at Newcastle airport, with millions of dollars of assistance from the state government. Now we find that that agreement is not signed, sealed and delivered because it depends on a union-free agreement being signed by their loyal workers. We are talking about skilled people who get our jets safely into the air, but apparently a union-free workplace is a condition. The Howard government pretends to be talking about choice—but companies are not talking about choice; companies are talking about control. (Time expired)

Whaling

Mr CIOBO (Moncrieff) (9.50 am)—I am very pleased to rise this morning to talk about the outstanding community support I received last Friday when I joined with the Mayor of the Gold Coast, Councillor Ron Clarke, and Mimi MacPherson to launch an anti-commercial-whaling petition. I have no doubt at all that the large media contingent were there to see Ron Clarke and me more so than they were there to see Mimi MacPherson! Nonetheless, I was pleased that such a strong level of community support was achieved as a consequence of this launch of an antiwhaling petition.

I also pay tribute to and thank Wayne Marsh and Angela Delbianco from the Spirit of the Bay whale-watching cruise ship, as well as give special thanks to the staff and team at Sea World Nara Resort. Sea World Nara Resort, of course, play a very crucial role in the ongoing care as well as emergency rescue of distressed and sometimes stranded mammals in our natural marine environment, especially whales and dolphins.

There can be no doubt that there has been worldwide concern over the push by Japan, Norway and Iceland to resume commercial whaling. I think special tribute must be paid to Senator the Hon. Ian Campbell, Minister for the Environment and Heritage, who in Ulsan in South Korea this week has certainly done an absolutely outstanding job in delivering the worldwide view that commercial whaling simply cannot be allowed to be resumed. I congratulate Senator Campbell for his efforts over there. I was especially pleased yesterday to note that Australia was able to spearhead a campaign—that is a poor choice of words—to also indicate the ICC’s regret over scientific whaling.
From my perspective, it was a pleasure to have had so many Gold Coast residents come on board with the petition that I launched together with Councillor Ron Clarke and to see the high level of community support. That support extended to a campaign by virtually every high school and primary school in my electorate. To those hundreds of students who signed petitions, I pay tribute to them and say thank you. I want them to know that while they were actively working locally I was trying to work nationally as well and had a meeting with the deputy head of mission from the Japanese embassy to express my concerns as well as the concerns of residents in my electorate.

There can be no doubt that whale watching is a vibrant, value-added way for the tourism industry to continue going forward. It is such a remarkable shame that there are still some countries that would like to put all of that to one side and resume harpooning whales for the sake of putting whale meat on dinner plates. It is not acceptable. I thank the community for their support and I am very pleased that Australia, together with other conservation-minded countries, was able to achieve such outstanding success in South Korea.

Eastlakes U3A

Ms HALL (Shortland) (9.53 am)—Today I would like to put on the record my support for the Eastlakes U3A—University of the Third Age—which celebrated its fifth birthday last week. Eastlakes U3A is run by a very active executive, which includes Tom Ryan, John Schindlar and Nancy Tayler. They are a very dedicated group who have undertaken, with CES, the role of promoting U3A within the eastern part of Lake Macquarie.

U3A was established in Toulouse in France in 1972. ‘Third Age’ denotes the age of retirement. U3A was first established in Australia in Melbourne in 1984. Classes are held in the community during the day in places like libraries and other community venues. The teachers and the leaders of the courses are volunteers. They are retired people who have professional skills or people who have had a lifetime hobby which they wish to share with other people.

U3A Eastlakes has some 300 members. It is thriving, growing and providing a vitally needed service to all the people of the eastern part of Lake Macquarie. All the administrative work—including enrolments, inquiries, arranging venues, printing programs and publishing a regular newsletter, which is of the highest quality—is done by member volunteers. The members are men and women over the age of 50. There is no age limit in the Eastlakes U3A. There are people in their 50s, 60s, 70s and 80s. I am quite sure that soon they will be joined by people in their 90s. They are a vibrant, vital group who are out there getting their message out to people in the community.

U3A Eastlakes offered 28 courses in 2004. Those courses ran between four and 40 weeks. This year they are running more courses than they did last year. The classes are held in easy-to-reach venues in Belmont, Swansea, Redhead and Valentine. Their publicity officer is Faye Rothwell.

I want to share with members some of the courses that are run at U3A in Eastlake Macquarie. They include current affairs discussion groups, personal history, painting, drawing, sculpture, German language, needlework, crafts, aquarobics, Pilates, Tai Chi, Australian history, ancient Greek history, croquet and tap-dancing. The only limits that are placed on the types of courses are the limits placed on them by the people that are involved. If people have a course they are interested in, U3A can deliver. (Time expired)
Water Reform
Green Corps

Mrs GASH (Gilmore) (9.56 am)—On Friday, Gilmore will have the pleasure of having the Parliamentary Secretary to the Minister for the Environment and Heritage visiting us. Greg Hunt is coming to the Shoalhaven in the Gilmore electorate. We have a concern in common, and it is to do with the Shoalhaven water supply.

There is no doubt that New South Wales has a water crisis. No-one could argue with that. Whilst the Shoalhaven is finding solutions to our water problems through innovative projects such as the recycled effluent management scheme in Coonemia, Premier Carr is stealing our water savings and doing nothing to find viable solutions for the city of Sydney. His solution is to use the water saved in the Shoalhaven to make up for his own government’s failure to act on urban water reform and to provide adequate supplies for the people of Sydney.

Premier Carr, it is about time you were serious about doing something about urban water reform in Australia’s biggest city. Stealing water from the Shoalhaven is not an acceptable solution in the 21st century. The REMS project at Nowra is a demonstration of what could be a viable solution to Sydney’s water problems if Premier Carr allowed Sydney’s waste water to be recycled and reused for agriculture and industry. The REMS project is an excellent example of how water reforms offer a benefit to industry, agriculture and the environment. The project delivers 1,500 million litres of recycled water to industry and agriculture and takes pressure off potable water sources. Indeed, the Shoalhaven project is a model for the rest of Australia as to how water can be recycled.

Each year, Sydney Water dumps 400 billion litres of primary treated sewage off the coast of Manly, Bondi and Malabar and two billion litres of raw treated sewage off the cliffs of Vaucluse. That is an absolute disgrace. Much of this water could be reused along the lines of the REMS water treatment. It would do something about the projected shortfall of 200 billion litres of water a year that is expected to be a feature of life in Sydney in 2030. With Sydney’s dam levels already below 40 per cent, Premier Carr and Minister Sartor must answer this question: how much worse does the situation have to get before they get serious on urban water reform and recycling?

Whilst I am on my feet, I want to congratulate the Green Corps that is going to work at Crooked River, in Gerringong and near Kiama. The project will see the Green Corps members working with the region’s dairy farmers to, amongst other things, exclude cattle from 10 kilometres of river frontage. It will also be involved in the oyster industry in the Crookhaven River area. Green Corps is an exceptionally good tool to help improve the Gilmore environment. This project will certainly be an asset to the people in Gilmore.

Lake Macquarie City Council

Ms HALL (Shortland) (9.59 am)—In the 20 seconds that remain for this debate, I would just like to put on record my horror that Lake Macquarie City Council is considering not notifying residents of developments that are taking place in their near vicinity. I think Lake Macquarie council should be condemned for that, because residents do not want to find an inappropriate development next door to them.

The DEPUTY SPEAKER (Mr Jenkins)—Order! In accordance with the resolution agreed to on 21 June 2005, the time for members’ statements has concluded.
Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (10.00 am)—I move:

That the bill be now read a second time.

The Statute Law Revision Bill 2005 corrects minor errors in existing acts including spelling, numbering, lettering and punctuation errors. It continues the important exercise of promptly repairing the statute books and improving the accuracy of government and commercial consolidations of acts.

Schedule 1 amends 24 principal acts and schedule 2 amends misdescriptions in 24 amending acts. The kinds of errors being amended in schedule 1 are minor clerical and drafting errors in various current acts such as incorrect numbering of subsections and typographical errors. Misdescribed errors are ones that either incorrectly describe the text to be amended or specify the wrong location for the insertion of new text. Misdescribed errors are best corrected by amending the amending act, rather than the principal act, and schedule 2 sets out the amendments to the amending acts. None of the amendments proposed by either schedule will make any change to the substance of the law.

The bill also updates references to organisations. For example, reference to the Queensland Criminal Justice Commission and the Queensland Crime Commission, which no longer exist, will be replaced with a reference to the Crime and Misconduct Commission of Queensland—the successor of these two bodies.

The bill, while not making any substantive amendments to the law, does improve the quality and public accessibility of Commonwealth legislation. I commend the bill to the House, and I place on record the explanatory memorandum.

Mr McCLELLAND (Barton) (10.02 am)—The opposition fully supports the Statute Law Revision Bill 2005. I had a private conversation with the member for Flinders earlier, and I must concede that all governments over all periods of time demonstrate errors and that this is not a reflection of incompetence on the part of government. These things happen and, as the parliamentary secretary indicated, there are also reasons to update references to various bodies that have either ceased to exist or changed their names.

The rationale for this form of omnibus legislation, where there are so many items riding on one instrument, was described when the first Statute Law Revision Bill was introduced in 1981. The then Fraser government Attorney-General, Senator the Hon. Peter Durack, said:

The Government has decided to introduce Statute Law Revision Bills into the Parliament on a regular basis, at least once in each year and, if required, once in each sitting. This will enable the prompt correction of mistakes and errors and removal from the statute book of expired laws. In the absence of the regular passage of Bills of this kind, the correction of an error in an Act can only be achieved by having a special Bill passed for that purpose or waiting until the Act needs to be amended for some other more important purpose.

Indeed, in fully supporting the mechanism that was announced by the Hon. Peter Durack, the then senator Gareth Evans stated:
The Statute Law Revision Bill is a fascinating Bill, for the contents of which the Government is to be much congratulated.

The first innovation is the very existence of the Bill as a vehicle—a compendious vehicle—for tidying up oversights, errors and oddities that creep into even the best laid drafting plans and also to accommodate minor changes that become necessary because of changing circumstances. The Opposition notes that it is the Government’s intention to introduce housekeeping Bills of this kind at least once each year, and perhaps every sitting. I, for one, certainly applaud that as a rational legislative measure aiding in the avoidance of the unnecessary cluttering of the parliamentary process with what are on any view small issues most of the time.

That indicated the bipartisan support for this vehicle that has occurred for over 20 years now.

In terms of the mechanisms adopted in this Statute Law Revision Bill, the parliamentary secretary noted the correcting of drafting and clerical mistakes, the removal of references to bodies that have ceased to exist and the updating of references to bodies that have succeeded earlier bodies, to assist in the publication of consolidated versions of acts and obviously to facilitate those consolidated versions being placed on the electronic means of communication that we have now—I think primarily SCALEplus, the government web site, or AustLII, which is run by the Law Council of Australia.

It is encouraging in our democracy that, for over 20 years, oppositions of both descriptions have accepted governments on faith in identifying what are minor amendments of an essentially technical nature. That says volumes for their faith not only in our parliamentary system but also in our bureaucracy. At the end of the day, I note there is a safeguard, as this legislation will be the subject of oversight by the Scrutiny of Bills Committee. But again, consistent with what has occurred for over 20 years, both sides of the parliament support what is a practical measure of correcting errors and updating legislation.

Mr SLIPPER (Fisher) (10.06 am)—I think many people in the community wonder why it is necessary sometimes to update legislation to correct errors that occur in the drafting of bills. I spoke recently in the main chamber and, I suppose, bemoaned the fact that it was necessary that this should occur. I do know that our Parliamentary Counsel and drafting office are of a very high standard, and I do not really understand why on so many occasions it is necessary for the parliament to bring in omnibus bills to change legislation to correct errors which, when one looks at them, one feels ought not to have been made in the first place.

I suppose, though, that parliament is becoming more active. There is an ever-increasing amount of legislation passing through the House, and it is understandable, given human error, that the odd typo, spelling mistake, punctuation oversight or omission can find its way into the final version of the bills that become part of the law of Australia. I think the technical terminology for the cause of these minor mishaps is that there are gremlins in the system. However, gremlins or no gremlins, mistakes must be corrected not only to reduce any possible confusion with the implementation of the laws but also for the sake of the English language. The fixing up of these unintentional errors is the function of the Statute Law Revision Bill 2005.

When one looks at the bill, particularly its contents page, it is interesting to note that it includes a list entitled ‘Amendment of Principal Acts’, which features some 24 acts that have fallen victim to gremlins. Below that list, however, is another list, which is entitled ‘Amend-
ment of amending Acts’. I suppose some would say that at times it would appear almost
comical that we can have a list of amendments of amendments, but the list exists and it in-
cludes another 24 acts. In fact, there are 48 acts that require corrections, modifications, inser-
tions, deletions, substitutions, relocations or retractions to bring them into the form that was
intended originally. The gremlins have certainly been working overtime.

Mr Hunt—Ha, ha.

Mr SLIPPER—I thank the member beside me for his supportive chuckle; I do not know
how Hansard will record that.

Mr Hunt—It will now.

Mr SLIPPER—It has to, doesn’t it. I do not quite know how a supportive chuckle could
possibly be recorded in the Hansard.

The DEPUTY SPEAKER (Mr Jenkins)—The honourable member for Fisher will ignore
the interjection, whatever it was.

Mr SLIPPER—Sometimes they are witty, Mr Deputy Speaker, particularly the ones that
you utter across the chamber.

The DEPUTY SPEAKER—Flattery will get you nowhere; you know that.

Mr SLIPPER—I know that, when you do hear a worthwhile interjection, it ought to be re-
sponded to. Few ministries have escaped this phenomenon; errors have been discovered in
many acts. But one of the functions of the parliament is to make sure that what we have ulti-
mately is correct. The price of making sure that we have that level of correctness is the pas-
sage of the Statute Law Revision Bill 2005, and that is certainly a very important initiative
forward.

The staff of the Office of Parliamentary Counsel, the parliamentary drafting office, have
spent countless hours preparing the bill, noting and collating the errors and putting them all
together into a document such as the Statute Law Revision Bill 2005. I commend all those
people who have worked so hard to make sure that in future our legislation will be better than
it was. I support this bill and commend it to the chamber.

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and
Heritage) (10.10 am)—in reply—Mr Deputy Speaker Jenkins, in rising to close on the Statute
Law Revision Bill 2005 I will begin by commending you for your well-known, sharp, jocular
sense across the House. There are three substantive points which I wish to make. The first is
in relation to bipartisanship and the comments of the member for Barton and the member for
Fisher. In this House we often forget the role that bipartisanship plays and the fact that many
of us here are able to look beyond party boundaries. What we have seen today is a small ex-
ample of bipartisanship. Many examples of bipartisanship exist, but the fact of their biparti-
sanship is often lost to the broader public or to the national media. I think it is worth reflecting
on the fact that there is an enormous amount of goodwill across the chamber between mem-
ers of different parties and people who work together to pursue and further the national in-
terest.

Secondly, on behalf of the government, I want to express my appreciation to the Office of
Parliamentary Counsel. They do an outstanding job, working tirelessly and without recogni-
tion, and their work is of the highest quality. Any errors in legislation are the responsibility of
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the government of the day, so this bill collects up those errors. On behalf of the government, I wish to thank parliamentary counsel for their diligence and also to apologise for any errors which we as legislators have made. I think it is important that we acknowledge those mistakes.

Thirdly, I want to meditate very briefly on the point that, as legislators, we often underplay our role. There is a risk that parliament will fall into too much formalism and become a stamp for the executive and that the role of legislator, which goes back within the Westminster system for hundreds of years, will not be played sufficiently well and will not be carried out with appropriate personal focus. That responsibility is incumbent upon each of us. In that context, I want to express my respect for those who, through the private member’s bill process, recently sought to pursue a viewpoint. They did so in a way that produced a change in policy, and I thought that that was a fine example of acting as legislators. A fine compromise was reached, so I want to use this opportunity, as we focus on legislation and legislators, to express my respect for their work and their efforts. Ultimately, I am delighted at the bipartisan support shown here today for the Statute Law Revision Bill 2005, and I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

CONDOLECNCES

His Holiness Pope John Paul II

Debate resumed from 26 May, on motion by Mr Abbott:

That the House take note of the document.

Ms VAMVAKINOU (Calwell) (10.14 am)—It is a great honour to be speaking today on his Holiness Pope John Paul II. Some 57 per cent of my electorate observes the Catholic faith and I know that the life and work of Pope John Paul II meant a lot to them. It is a privilege to be given the opportunity to speak about the late Pope and, on behalf of the people I represent, I would like to add my thoughts on the life and times of an outstanding human being.

The late Pope was born in Poland in 1920 and, in fact, I have met constituents in my electorate who hail from the same village as the Pope. They are very proud to be associated with him in this way. Pope John Paul II lost his mother and brother at a very young age and was brought up by his father who was a retired army officer and had experienced the trauma and horror of the Nazi occupation of Poland.

The late Pope was a very gifted man. He was gifted in many ways. He attended university, indulged in some acting and worked in quarries and chemical factories, but it was not until 1942 that he began to study in secret for the priesthood.

In 1962, the year Vatican II began, he was named Bishop of Cracow. His attitude to communism would be substantially influenced and shaped by the years he spent as a priest and bishop under the communist government. He was elected Pope on 16 October 1978. He was the first Slav Pope and the first non-Italian Pope in more than 450 years. The Pope was a former professor of philosophy, published poet and playwright, mountaineer and skier. He was influenced very strongly by his Slav identity.
Historian Eamon Duffy, in his book Saints and Sinners: A History of the Popes, commented that the profundity of his thought was quickly recognised as well as his markedly conservative character. Yet, in a series of social encyclicals, the Pope demonstrated a deep suspicion of Western capitalism and denounced:

A fundamental defect, or rather a series of defects, indeed a defective machinery is at the root of contemporary economics and materialistic civilization.

These are defects which trap the ‘human family’ in ‘radically unjust situations’ in which children starve in a world of plenty.

On 2 October 1979, while addressing the United Nations, he acknowledged that it was the painful experiences of millions of people which led to the creation of the Universal Declaration of Human Rights, which he also viewed as the basic inspiration and cornerstone of the United Nations. He was a fearless man and never refrained from speaking his mind and, as such, he strongly condemned the war in Iraq.

The Pope was proficient in many languages and his multilingual capability made him more effective in his travels to all continents and most countries. It is now legend that he travelled the world more widely than any other Pope had previously done before him.

He defended religious liberty, promoted ecumenism and interfaith understanding. On 29 November 1979, he visited the ecumenical patriarch, Dimitrios I, in Constantinople and stated that the Second Vatican Council declared that the shared riches and traditions of the Eastern and Western Christian churches should help overcome their divisions. He was the first ever Pope to visit a Roman synagogue and established formal relations with Israel in 1993. He visited leaders of other churches and welcomed them at the Vatican. He organised a gathering of representatives of all major religious faiths including Jews, Muslims and Buddhists at Assisi. Such was his embrace of multifaith dialogue that the present Archbishop of Canterbury made the unprecedented decision to attend his funeral.

The Pope first visited Australia in 1973 as cardinal for the International Eucharistic Congress in Melbourne. He became the second Pope ever to visit Australia in 1986 and met religious and political leaders of all persuasions. He met people of all backgrounds, praised Aboriginal culture, participated in ecumenical services and spoke to leaders of other religious traditions. In 1995, he performed the first beatification of an Australian, Mary MacKillop, in Sydney. He declared that she devoted her life to the poor and that, as a result, she stood for a new attitude of human dignity which will take precedence over material gain. Penola Catholic College, in Broadmeadows in my electorate of Calwell, quite proudly takes its name from the place of Mary MacKillop’s first school in Adelaide.

It is no wonder that the Pope was an outstanding man. I have made reference to his promotion of interfaith dialogue. I know that he was very strong on that and I saw it work effectively here in Australia, particularly in my home state of Victoria and my own community where the Catholic church has been at the forefront, together with representatives of the Jewish and Muslim faiths, of promoting interfaith dialogue in a world where such dialogue is absolutely pivotal, not only to the security of the world but also to the interactions between people from whatever religious or faith persuasion they come from.

In conclusion, I would like to draw on a comment that was made by the Cardinal Archbishop of Westminster, Cormac Murphy-O’Connor, who said that history would place
Pope John Paul II ‘alongside St Francis of Assisi as one of the great witnesses to the power of the word over that of the sword’. This is a very true and fitting tribute to Pope John Paul II who was, indeed, an outstanding human being.

Mr BARRESI (Deakin) (10.20 am)—I welcome this opportunity to add my voice to this condolence motion not only as a Catholic, although one can always argue the toss about degrees of Catholicism amongst Catholics, but also as a member of parliament and as a citizen of this world who met the Pope on one occasion and saw his work. It is a privilege to be able to add my voice to this condolence motion. It was a sad time when we saw the passing of His Holiness Pope John Paul II. He was indeed a remarkable leader of the Roman Catholic Church. Arguably his greatest legacy was that he took the papacy to the world and left an indelible mark on our global society. To Catholics and non-Catholics alike, he was held in the highest esteem as he championed individual freedom in the face of the subversive force of communism in Eastern Europe. I know that many people in my electorate, particularly the congregations of St Thomas’s, St Luke’s, St Phillip’s, St John’s, Our Lady’s and Holy Spirit, would have been very saddened by his passing. We did not always agree with his pronouncements, but certainly he was the leader of the Roman Catholic Church and in that regard he had our full respect and honour.

Pope John Paul II’s spiritual journey began at a young age. I know it has been said before, but it is important for me to state in this place the chronology of the man’s life. Even as a youth, his resilience and willingness to stand up to tyranny was intertwined with his journey before God. At the age of 21, for example, he was the only surviving member of his family. His mother died in 1929 and his father died in 1932. So he grew up in very tough times—as a young man, on his own and living in Eastern Europe behind the Iron Curtain and with all that the Iron Curtain represented during that tumultuous period.

In the mid to late 1930s, he studied the performing arts, which included theatre and poetry, and he went on to study Polish philosophy. Interestingly, he undertook military training and began clandestine studies and involvement in underground cultural resistance activities. I guess it is at this point where perhaps we can see the start of his concern and his fight for individual freedoms. This was particularly against the tyranny of various dictatorships around the world. In the 1940s, while working at a chemical plant during World War II, he began underground seminarian studies. At the conclusion of World War II he was ordained as a priest and his journey to the Vatican began in earnest. One of the most significant aspects was his young age. He was installed as Archbishop of Cracow at the age of 44 in 1964, created a cardinal at 47 in 1967 and elected as Pope, as we know, in 1978.

He was an international champion of freedom. That is his greatest legacy. There were many factors that led to the rapid demise of communism across Eastern Europe. I know that many will say that the demise of communism in Eastern Europe began with another great freedom fighter in Poland, Lech Walesa. I would certainly share that view, but Pope John Paul II was also an inspiration to Lech Walesa. I know that when they first met, very soon after the collapse of communism, it was a very emotional time and one that the whole world looked upon with great admiration and reverence.

The international climate during this time changed as more and more people behind the Iron Curtain longed for the freedoms offered by democracy. Few people can lay a genuine claim to helping bring down tyranny in Eastern Europe and the end of the Soviet Union.
There were a number of players in that process, and Pope John Paul II was certainly a beacon of freedom for the suppressed people of Eastern Europe. He embellished cultural and religious freedoms and was a passionate advocate for the people of his home country of Poland.

He also brought to the Catholic Church a role in international affairs that it had not enjoyed for around 200 years. As a cardinal he defied the Czech communist regime when he spoke at the funeral of fellow cardinal Stefan Trochta in 1974. As a newly elected pope he made a triumphant visit to Poland in 1979. Throughout the early 1980s he defended the rights of Polish sovereignty and wrote to Soviet president Brezhnev in defence of Polish sovereignty. If a repressive government did not want John Paul II to visit, he would plead with it through phone calls and letters until it relented. I think he said that he was probably personally seen by more people than any other in the history of mankind. That is an achievement that will be hard to beat by any successors, whether they be in the political or religious field.

Pope John Paul II was a visionary promoter of interfaith dialogue. His willingness to engage with other denominations gave the Christian world a sense of unity and solidarity. I know that members of other churches also feel that in Pope John Paul II we had a leader who spoke on behalf of all Christians. Of even greater significance, Pope John Paul II reached out to the world's other great religions. As I watched the tributes pour in from across the globe on the TV, one of the most powerful images was seeing him stand shoulder to shoulder and share a joke with the Dalai Lama. He also suffered in his quest to engage when he was shot by would-be Turkish assassin Mehmet Ali Agca in 1981. He used his suffering to expel compassion and mercy when he publicly forgave Agca in 1983 by visiting him in prison.

The Pope also worked towards peace in the Middle East. He visited Israel and Egypt in 2000, where he asked for pardon for the sins committed by the Catholic Church towards Jews over its 2000-year history. It was a very momentous time and a turning point in what was a deteriorating relationship between the Jewish faith and the Catholic Church over a number of years.

He suffered, and he suffered with humility towards the end. Pope John Paul II's later years were marked by deterioration in his own health. He brought with this a great sense of humility and grace, and once again channelled his own suffering towards the greater good. In 1994 he embellished this when he stated:

I have understood that I have to lead the Church of Christ into the third Millennium with prayer, with various initiatives. But I saw that this was not enough: I must lead her with suffering.

This was indeed one of the many emotions that I experienced when I met Pope John Paul II. In 1999 I visited Europe with a parliamentary delegation. Mr Deputy Speaker Jenkins, I still have the photo in my office which shows your former colleague the member for Prospect and I standing quite imposingly behind the Pope. We were all touched by that meeting. It was a brief but compelling moment for us, and one that we will not forget.

In conclusion, the death of Pope John Paul II marks the passing of a man who has left an indelible mark on the Catholic Church, on the Christian faith and on global humanity. In his 26½ years he is said to have spoken to 17½ million general pilgrims, to have had 246 meetings with heads of government and to have created 482 saints. I know that there are moves afoot at the moment to also declare the Pope a saint at some time in the future. Whether that happens or not is a matter for the church, and I certainly will not enter into any discussion on that.
Many more people have been touched by his generosity, forgiveness and compassion. I would like to join with the other members of parliament who have spoken on this condolence motion by expressing my gratitude for the life of, and the lessons learnt from, Pope John Paul II. I am sure that I speak on the behalf of all Catholics within my electorate, and people of other Christian denominations, who looked towards him with inspiration. In speaking on this condolence and expressing our views on Pope John Paul II, we also offer our best wishes and support to the new pope, Pope Benedict XVI.

Mrs DE-ANNE KELLY (Dawson—Minister for Veterans’ Affairs) (10.29 am)—Pope John Paul II dedicated his life and the 26 years of his reign to uniting the world. In death, the world has joined together in sorrow for a truly inspirational religious leader. The late Pope was a man of peace, whose courage and conviction shone as a beacon to humanity. He not only led one billion Catholics throughout the world but also guided a path for all the world’s citizens regardless of their religious faith.

Pope John Paul II was born Karol Jozef Wojtyla in Poland in 1920. He was the second of two sons. By the age of 21 he was the only surviving member of his family. His mother died in 1929, his brother in 1932 and his father in 1941. The late Pope was involved in the church from birth. He made his first Holy Communion at the age of nine and was confirmed at the age of 18. The Pope was an artistic man, and as a young man he enrolled in a drama school at university. But the Nazis closed the university and he was forced to work in a quarry and then in a chemical factory to avoid being deported. Surrounded by the deprivation and cruelty of war, the Pope received his calling to the priesthood in 1942. His courage at the choice of vocation was evident. He began a secret course at a Cracow seminary and at the same time was one of the pioneers of the clandestine Rhapsodic Theatre.

At the end of the Second World War he continued his studies at the seminary and went on to the now-reopened university. He was ordained in 1946 before travelling to Rome, where he worked under the guidance of the French Dominican. The Pope completed a doctorate in theology in 1948, while exercising his pastoral ministry among Polish immigrants in France, Belgium and Holland during his vacations. On returning to his native Poland he continued his studies and eventually became a professor of moral theology and social ethics. His hard work and dedication to the Catholic Church was recognised by Pope Pius XII in 1958. He was appointed auxiliary bishop of Cracow. Later, Pope Paul VI appointed him to the role of Archbishop of Cracow and made him a cardinal in 1967. As a cardinal he participated in the Second Vatican Council and all the assemblies of the synod of bishops.

On the death of Pope John Paul I, the humble man from Poland was elected to the Holy See in Rome and the throne of St Peter. In doing so, and in keeping with his nature, he took the name Pope John Paul II. He was the Catholic Church’s first non-Italian pontiff in more than 450 years and was history’s first Slavic pope. His election was greeted with enthusiasm throughout the world by the faithful and by other religious leaders. He also became a friend to all faiths. He reached out to Jewish people and to those of the Islamic faith while recognising all Christian denominations. In this sense, he became the most widely travelled pontiff, embarking on 104 foreign visits during his reign. He travelled more than 1.2 million kilometres, or 3.24 times the distance from the earth to the moon. He met more than 1,600 political leaders to spread his message of peace and hope. Consequently the Pope was seen by more people than anybody else who had ever lived. Over his reign an estimated 18 million people attended
his Vatican audiences. The Pope visited Australia twice: firstly in 1986 and again in 1995 to beatify Mother Mary MacKillop. He spoke eight different languages, including Spanish, after becoming Pope.

His extraordinary courage and ability to forgive were on display after he survived an assassination attempt in 1981. He was shot at St Peter’s Square by a young extremist. Two years later the Pope met his would-be assassin in prison in Rome to forgive him. Unfortunately the assassination attempt would throw a security cordon around the pontiff. In future the Pope was forced to travel in an armoured glass van—earning it the wonderful nickname of the ‘popemobile’. Despite the security scare, his message to the faithful remained the same. He focused on human rights, particularly the rights of children and those of the individual. At every opportunity he pushed for freedom of assembly and religion as well as free elections. Nowhere was this more evident than in his dealings during the Cold War with the communist Eastern bloc. The Pope was a strong and ardent critic of communism and he played an instrumental role in the collapse of the Soviet Union. In the months following his election as pontiff, the Pope visited his Polish homeland in a bid to free it from communism. A short time later, the Solidarity trade union movement was born—a step towards Poland breaking free from the East and becoming an independent state.

Over his life the Pope was a keen writer, publishing four books on his teachings and his life story. The first was *Love and Relationships* in 1960, followed by *Crossing the Threshold of Hope* in 1994 and *Gift and Mystery: On the 50th Anniversary of My Priestly Ordination* in 1996. Lastly, his autobiography *Get Up and Let Us Go* was published in 2004. His autobiography followed his life from being a new bishop of Cracow to being elected Pope, a truly remarkable feat. Its publication also marked the Pope’s 84th birthday. In recognition of his many achievements, *Time* magazine named him Man of the Year in 1994.

In later years Pope John Paul II developed Parkinson’s disease and increasingly began to rely on his cardinals to assist with many of his ceremonial duties. For example, at Easter 2002 he was unable to carry out the washing of the feet ceremony, which is symbolic of the Last Supper. It was the first time the role had been performed by cardinals. He also called on the clergy to work for greater dialogue with other faiths in the wake of the September 11 attacks in the United States.

Despite his illness, the Pope’s schedule was relentless. In 2003 he travelled to six European countries. As his health continued to decline, he visited Switzerland in June 2004 in his first foreign trip for nine months. Two months later he visited Lourdes in southern France on a two-day pilgrimage to one of the Catholic world’s most revered shrines.

In early 2005 the Pope’s health deteriorated further. The pontiff spent 28 days in hospital over two periods in February and March. During his second hospital stay, he underwent a tracheotomy to ease respiratory problems. The surgery rendered the man once known as the great communicator to the world virtually unable to speak. Despite the surgery, his health continued to deteriorate and eventually he suffered a heart attack and other complications. In his private suite at the Vatican, surrounded by his close friends and advisers, the people’s Pope died late on 2 April 2005.

From a personal perspective, I found that, as a man with great health challenges, the Pope’s desire to keep working and to present himself in his public role was a great inspiration. He did not believe that those who are sick or old were to be hidden away. They were part of life, and
he set a great example in his own personal time of great trial through his illness. The world has mourned and will mourn his passing, but he certainly will not be forgotten. His legacy will live on in the practices of the Catholic Church and the more humane society that he fostered.

The first two years of the Pope’s reign will be the template for the years ahead. I am sure many Catholics would agree that among the pontiff’s many significant achievements has been the restoration of the conservative stances of the church. He made strong declarations on abortion, contraception and biotechnology. Although not all Catholics or others agreed with his vision, the Pope must be commended for having the courage of his convictions. I extend my congratulations and good wishes to Pope John Paul II’s successor, Benedict XVI. Pope Benedict was close to his predecessor, and I am certain the Catholic Church will go forward in safe hands.

Debate (on motion by Mr Sawford) adjourned.

**BUSINESS**

**Mrs MAY** (McPherson) (10.39 am)—by leave—I move:

That further proceedings on orders of the day Nos. 2, 3 and 4, government business, be conducted in the House.

Question agreed to.

**ADJOURNMENT**

**Mrs MAY** (McPherson) (10.40 am)—I move:

That the House do now adjourn.

**Pictures from the Port**

**Mr SAWFORD** (Port Adelaide) (10.40 am)—On Sunday, 3 July at two o’clock at the Axis Gallery in the Parks community centre in Angle Park in my electorate I will have the great honour of launching a photographic and sound exhibition on behalf of photographer Suzanne Laslett and composer Robert Petchell. Soprano Tessa Miller will also perform at the opening, singing several songs created by Robert in response to some of Suzanne’s images. Added to this performance will be guest appearances by some port characters by members of the Walks ‘n’ Talks group. I have to say, I am pretty excited about this launch and am looking forward to playing a part on the day.

The photographer Suzanne Laslett took up residence in Port Adelaide nine years ago. She has been photographing the area for some time and has a significant collection. The exhibition is just part of an ongoing project for Suzanne. Some of the photos were taken when she first arrived in Port Adelaide; others have been selected from other exhibitions, of which many focused on the port; and there is as well a body of new work. This year, 2005, has seen the photographer Suzanne Laslett begin a collaboration with composer Robert Petchell, which will have a number of outcomes in years to come, of course anticipated to be highly successful. *Pictures from the Port* is the first of these outcomes. There is an exhibition of black-and-white photography by Suzanne and a sound scape installation created by Robert Petchell from stories and sounds recorded in the Port Adelaide area. *Pictures from the Port* aims to capture aspects of the Port Adelaide area at a point of time of major change, by seeing and hearing the port through stories which evoke memories as well as a sense of the future.
Suzanne is a local Port artist who has also had many solo and joint exhibitions throughout Australia and whose work is represented in private and corporate collections in Australia and overseas. Her work creates a feeling of stories through the placement of people within recognisable locations. With this current exhibition she brings together a selection of existing work with newly created ones, using different sites in Port Adelaide—some of which, unfortunately, no longer exist.

Robert Petchell, who also lives in the western suburbs, is a composer and musical director who works with both professional companies and performers as well as on community based projects. A special feature of his work is the use of recorded sounds and conversations, which are brought together with other musical elements to create new musical works and soundscapes. An excellent example of Robert’s work is the Smelter Symphony, created and performed for the 100th Smelters Picnic at Port Pirie in 2003. The exhibition will open from 29 June to 27 July. It is supported by the Parks Arts and Function Complex, Axis Gallery and the City of Port Adelaide Enfield.

Written history is not always authentic nor fully explained. We are all aware of the cliches, such as ‘to the victors go the history’ and ‘control the narrative, control the history’. A great Port Adelaide photographer from the past was the late George Hutton, who lived in Largs Bay. Copies of his photographs can be seen in many Port Adelaide establishments—in fact, in many South Australian establishments. His photographs recorded infrastructure, transport, celebrations and famous locations. For many years he photographed every child every year, in individual and classroom photographs along Le Fevre Peninsula. His smile and cheeky grin were always welcome when I was a young child, and his legacy to Port Adelaide is priceless. Therefore, to recognise another photographer in Suzanne Laslett, recording the images of Port Adelaide in an artistic and an authentic way, is particularly welcome. I wish her every encouragement and support for the future—a long and productive future.

That it is to be accompanied by a sound presentation is an added bonus. Music, too, is authentic. It is transferable. Music is always a new event. It is emotional. It is intense. It cannot be appropriated by any power. Like photography, there is a strong connection to memory. It is insulated from political power. It is insulated from religious power. It is insulated from gender politics, nationalism and everything else—great stuff. As a form to accompany a photographic exhibition, music is a refuge for hope. This is an exhibition beyond language. It can lead us, inspire us and take us on a journey to boundless imagination. Photography and music need only to be. They liberate and help us deliver freedom and, from that, wisdom and enlightenment. This can be a delicious irony for, unless you subjugate ambition, status, power, celebrity or fame, you do not reach wisdom and enlightenment—a good message for politicians and journalists. As I said earlier, I am looking forward in great anticipation to seeing, feeling and hearing all the aspects of this wonderfully planned exhibition.

**Industrial Relations Reform**

**Mr JOHN COBB** (Parkes—Parliamentary Secretary to the Minister for Transport and Regional Services) (10.45 am)—I rise to speak on not just the industrial relations reforms that the coalition government is set to introduce but also the recent funding provisions, particularly the $5 billion offer that has been made to the state TAFE educational facilities right around Australia. If you knew the man in question, you would not be surprised that lately the member for Murray-Darling has been sounding off not just about industrial relations reforms but also
how he believes that TAFE education is finished in Broken Hill and that the Commonwealth is not funding it any more—all of which is total rubbish.

The reforms that we are seeking to introduce—not just the industrial relations reform generally but the conditions we are putting to TAFE around Australia, particularly in New South Wales and in this case western New South Wales—are incredibly important. I for one cannot understand why the teachers union, some of the TAFE teachers and especially the member for Murray-Darling would be so upset by them. I can think of why he wants to divert attention from the problems of the New South Wales government. I might touch on those in a second, but I would like to talk about TAFE. It is an extraordinarily important teaching and training institution in New South Wales in particular. It probably accounts for about 85 per cent of it, outside of schooling and university education. We are simply asking TAFE to get modern, commercial and cooperate with industry to have courses which reflect what industry needs rather than what academics and those setting the curriculum believe everybody should learn. It is about making TAFE responsive to the skills needs of the region.

Why in heaven’s name would teachers unions, others and the member for Murray-Darling be frightened about offering staff the ability to have a workplace agreement, should they wish to have one? Do they not want those who have the confidence to act for themselves to better themselves? If you are a particularly dedicated and good teacher, why should you not be allowed to have a workplace agreement? Why should you be represented by a union if you do not wish to be? If you want to be—and it is entirely the choice of that teacher—you can still be part of collective bargaining. But if you wish to bargain directly with your employer and secure a better deal, why should you not? As the Minister for Employment and Workplace Relations, Kevin Andrews, has said, people will not be disadvantaged by workplace agreements. That is a given.

The member for Murray-Darling continually talks about Commonwealth issues when we are running the best economy that we have seen in 30 years with the lowest unemployment we have seen in 29 years. His obvious reason for doing that is that he is part of a government which in the last budget budgeted for the next 12 months of drought approximately what the Commonwealth government spends on drought every two weeks. I would be embarrassed too if I were the member for Murray-Darling and I represented 40-odd per cent of a state, a whole lot of which is in drought and a whole lot of which his government has thumbed its nose at. He also has problems with the club tax, especially in a place like Broken Hill, which has an excellent club that supports community and sports issues. The new tax will greatly reduce its ability to do that, as it will for all clubs in Dubbo and right around New South Wales.

The member for Murray-Darling has a lot to worry about, I guess, not least of which are trains. They are closing branch lines right around our state, refusing to spend money on them while at the same time the Commonwealth, through AusLink, are spending money, particularly on the transcontinental lines that run through our electorate. I am very proud of what we are doing with trains. I am absolutely embarrassed by what the New South Wales state government is not doing; it is refusing to spend money on a train that is outside of the metropolitan area. (Time expired)

Family Services: Child Care

Ms GEORGE (Throsby) (10.50 am)—Barnardo’s South Coast is a great organisation and a wonderful asset to the social infrastructure in my electorate, assisting and working with
some of the most disadvantaged communities—for example, in the Bundaleer Housing Estate in the suburb of Berkeley. The organisation focuses on building community capacity and is very involved in early intervention programs. It runs an OOSH program in Warrawong and Berkeley and, in so doing, incurs financial shortfalls each year, as the parents that go to these services cannot afford to pay for them. Over the past six years, Barnardo’s South Coast has spent on average an additional $150,000 a year supplementing shortfalls so that these beneficial programs can continue to operate.

We made a submission to the government last year about this funding problem, and I have to acknowledge the assistance provided with a one-off grant of $143,000. However, the service at Berkeley West, the OOSH program, is again under threat, with its possible closure in the months ahead. This out of school hours and vocation program caters for 40 children and caters for a high percentage of single working parents—usually working mums. One of the mums, Renee Callaghan, who has three children, pointed out the impact of the possible closures in the following terms:

I have been looking for work for two years and have finally succeeded in securing employment. I have no family or backup support for childcare. I have no other option but after school care. Following representations to the minister and a good deal of local protest action and agitation, the government has now provided $35,000 to Barnardo’s, which should keep the program running until the end of 2005. But it is only a temporary reprieve. Barnardo’s rightly argue that they cannot continue to keep services running, lurching from crisis to crisis every six months. I have written to the minister and urged her to ensure that there is ongoing funding to meet the financial shortfalls of about $7 per day per child in after school care and the shortfalls for the vocation program. Both these programs cater for a population predominantly of single mums who cannot afford to pay those fees.

Barnardo’s is now covering a deficit of around $100,000 to keep the OOSH programs running in Warrawong and Berkeley. These two suburbs are among the most disadvantaged in New South Wales, identified as such by a recent study by the Jesuits, looking at the correlation between postcodes and poverty. So no-one can dispute objectively the disadvantaged situation these suburbs are placed in. There is a limit on how long Barnardo’s South Coast can keep subsidising these essential services. The government needs to understand that other providers in my electorate are most unlikely to step in and pick up the lost places, as those places are not financially viable due to the deep-seated nature of the disadvantage in these communities.

I have to question how a sole parent will cope when their child turns six and, under the government’s new proposals, will be forced to look for work or suffer a cut to their income. How can they find suitable child-care arrangements in parts of my electorate where the government is presiding over the possible closure of existing services?

The government’s position on these issues is not clear. At one stage, the Prime Minister said in the House that sole parents would be subject to the same rules that apply to people on the Newstart allowance. But then, as we know, there are no rules under the Newstart proposals that allow parents to refuse a job on the basis that they have no child-care places. I think there was a degree of public embarrassment in the Prime Minister’s position because he later conceded, in a backflip, that he was opposed to breaching provisions applying to sole parents.
who could not find child care or whose income from work would leave them in a negative position in comparison to their position when in receipt of their entitlement.

I have nearly 4,000 sole parents in my electorate and I feel I have an obligation to speak up on their behalf. Today I have taken the opportunity to urge the government to provide the funding for Barnardo’s South Coast and to recognise the problem in electorates like mine where current services are under imminent threat of closure and yet on top of that the welfare to work provisions announced in the budget would see almost 4,000 people in my electorate potentially have to find work without the adequacy of child-care and vacation care provision.

Ethanol

Mrs GASH (Gilmore) (10.55 am)—To try to ease the impact of rising petroleum prices in the world market, the Philippines is expected to pass legislation this year that will require oil companies to use ethanol as a fuel blend, starting with five per cent ethanol and rising to 10 per cent by the year 2010. It was also noted by the Brazilian Trade Bureau that resistance to use of ethanol as a fuel blend has died down because of the rising cost of petroleum products.

Here in Australia I was encouraged by the news that the Prime Minister announced the formation of a task force on biofuels. It will be made up of an expert panel which will examine a number of areas in relation to ethanol and biofuels. This examination should do much to counter the negative and sometimes contradictory misinformation put out by certain sections of the oil industry. The question here is: is it the role of government to drive demand or should the government ensure that fair debate is allowed to prevail so that influential forces cannot dominate the flow of information? In this case, the consumer is entitled to be told so as to allow them to draw a fair and considered conclusion.

I am also heartened by a report in the Financial Review earlier this month, which indicated that oil companies may be softening their stance against the introduction of ethanol. I suspect that their support is less than effusive, as suggested in the article. Rather I think they are sniffing the wind and hedging their bets. When pressed for detail, the oil company spokesman said that those decisions were ‘strictly confidential’. Why, when the same oil companies use ethanol overseas? To me that is ‘code speak’ for information that the public does not need to know—in other words, noncommittal. I must support Bob Gordon when he says that the only evidence of a change of heart in the oil companies will be when they start buying ethanol and marketing it.

Ethanol blends are increasingly used in South Africa, while Brazil, the world leader, produces four billion gallons of ethanol a year. All Brazilian fuel contains at least 24 per cent ethanol, and much of it is 100 per cent ethanol. Engines can be designed to run on 100 per cent ethanol. Chrysler, Ford and General Motors all recommend ethanol fuels and nearly every car manufacturer in the world approves ethanol blends in their warranty coverage. Henry Ford designed the famous Model T Ford to run on alcohol, and he said it was the fuel of the future. Although they are not exactly mainstream in the United Kingdom, manufacturers like Volkswagen, Citroen, Peugeot and Ford are among the pace-setters that have already produced bioethanol-powered cars. Citroen has a development called C3 capable of running on bioethanol, while Volkswagen has the technology in a Golf. Peugeot, meanwhile, have used a 307 to pioneer the new fuel, and Ford have turned to the Focus to test its ethanol engine.
Meanwhile in Washington, congress has passed a bill to mandate ethanol that would require refiners to use 3.1 billion gallons of the alcohol fuel this year, escalating to five billion gallons by the year 2012. This year the industry expects to produce four billion gallons of ethanol, most of it distilled from corn. Farmers groups and ethanol producers want accelerated requirements leading to a national mandate of eight billion gallons of ethanol by the year 2012.

The flourishing ethanol demand has been created largely because refiners use it to replace the gasoline additive MTBE. MTBE makes gasoline burn more cleanly, but it has been banned in many states because of concerns that it contaminates groundwater and poses a health risk. Why aren’t we hearing from our own home-grown environmentalists about the risks associated with conventional petrol? Commenting on the bill, Senator Tom Harkin from Iowa said in a press release:

Americans deserved to know why oil companies making record profits insist that families pay top dollar at the pump when prices could be reduced by blending more lower-priced ethanol in our fuel supply. Sound familiar? Why can’t we now do this in Australia? We have the ethanol and our oil reserves are becoming more precious each year. Why is it that we cannot move on?

Australians are entitled to ask that very same question. We have asked it, but there has been a stony silence from the oil companies. All I am asking for is an open debate on the question. This recently announced expert committee on biofuels is well placed to state firmly and unequivocally whether there is a place for alternative fuel supplements in Australia. The claims and counterclaims from both sides should be deliberated upon by someone who is objective and unbiased. I welcome this initiative, I look forward to the report of the committee and, hopefully, I will meet this committee in time to come.

Automotive Industry Job Cuts

Ms VAMVAKINOU (Calwell) (11.00 am)—I rise today to express my deep disappointment at the recent announcement of further job losses at Autoliv, an automotive components company in Campbellfield in my electorate. As Australia’s largest manufacturer of seatbelts and airbags, it is devastating that the Autoliv factory has been forced to cut more than half of its 900-strong workforce in order to remain viable in the face of price competition from overseas suppliers. In addition to the 430 job cuts announced in 2003, Autoliv has now announced that a further 70 jobs will be lost over the next 18 months. In total, we are looking at the loss of 500 jobs by August next year. Thirty of these will be transferred to low-cost labour countries to ensure that Autoliv remains competitive in a climate of global sourcing, while the remaining 40 resulted from the changes to future contracts and restructuring requirements to meet competitive pressures.

As a flow-on of these job losses, over 65 jobs are at risk at Autoliv subsidiary, seatbelt textile maker Webco in Thomastown. Autoliv represents around 95 per cent of Webco’s business, and there is talk of a forced closure within 18 months as volume constraints affect productivity. Combine the 500 jobs at Autoliv with the 160 jobs at windscreen maker Trico in Springvale, the 170 jobs set to go at the radiator factory Calersonic in Port Melbourne and the 65 potential job losses in Webco in Thomastown and all this adds up to a disturbing trend for the automotive industry in Victoria. These cutbacks are not isolated incidences; rather, they will be followed by more closures and restructuring as tariff protection is withdrawn and jobs are lost offshore.
In a recent submission to the government, the Federation of Automotive Products Manufacturers argued that local car part makers would derive little benefit from a free trade agreement with China, noting that the removal of the duty on imports from China would most likely worsen the already substantial automotive trade imbalance in China’s favour. Australian Bureau of Statistics figures released as of June this year show that Australia has lost almost 30,000 manufacturing jobs in the nine months to May, divided evenly across New South Wales, Victoria and Queensland. In net terms manufacturing jobs have shrunk by 84,000 in the past five years and by almost 150,000 since tariff cuts began in the late 1980s.

The dilemma we now have is: where do these employees who are about to lose their jobs go? What jobs are there for tradesmen and women who have spent their whole working lives, in some cases specialising, in work that is no longer required? Who will pay their mortgages and their bills as they commence the painful task of looking for work again? Many of them are in their mature years. I understand that this has been a tough decision for Autoliv and I appreciate that, to remain viable, the company needs to downsize to ensure the protection of as many manufacturing jobs as possible into the future.

Autoliv has been, and I am sure will continue to be, a good employer in my electorate and a good corporate citizen. This decision is very sad for everyone involved but is particularly devastating for those who are losing their jobs. The community will feel the effects of this halved work force, with Autoliv unlikely to contribute as generously to the community as it has previously done. Over the years Autoliv has contributed to many charities and fundraisers, including this year when its employees raised $18,000 during their Work for the Tsunami Survivors Day. Earlier this year this community minded company formed a partnership with the Northern Hospital, through which Autoliv staff the hospital kiosk one day a month and employees contribute to the volunteer drivers program, and a $15,000 fundraising goal has been set for the purchase of a diagnostic kit for the emergency department. In return, the hospital supports Autoliv staff by providing information and services, including flu vaccinations and checkups.

In conclusion, I would like to agree with the Leader of the Opposition, who made these comments about job losses. He refers to them as a ‘national disgrace’ and a further sign of the government’s failed export policy and failure to diversify and strengthen the nation’s manufacturers. Exporting Australian jobs is certainly not something my electorate can afford, and these job losses will be felt hard by the 500 families who have lost an income from Autoliv and who stand to lose even more as they find it incredibly difficult to find a new job for themselves in order to maintain their families and their lifestyles.

**Pharmacies**

**Mr Johnson** (Ryan) (11.05 am)—There has been some debate in the public arena and in the media in particular about whether Woolworths and larger supermarkets in our country should have the opportunity to sell pharmaceutical products. I wish to strongly put my position forward in the parliament today. I do not support the proposition that supermarkets in this country—and in particular Woolworths, at this point being led by Roger Corbett—should be allowed to sell pharmaceutical products. I want to place on the record very firmly my position on behalf of the people of Ryan that the pharmacists in this country play a very important role and that they should have the opportunity to carry out their role separately and independently from the big arm of supermarket chains.
The pharmaceutical market in this country is worth some $5.6 billion. Pharmacists play a very important role in the health of Australian, and I want to support the position that the Minister for Health and Ageing, the Hon. Tony Abbott, has taken in recent times. He supports the view that pharmaceutical products should be dispensed by pharmacists in particular. Community pharmacies provide a very specific and vital service in communities throughout Australia, and those services would certainly be under great jeopardy with the introduction of supermarket pharmacies.

Of course community pharmacies are also small businesses. They are run in many instances as ‘mum and dad’ businesses. They are family businesses, and they are highly valued in our communities. They already face significant challenges in their own right, with significant overheads in operating their businesses, but they are also often run by health professionals who provide essential services to their communities. I hope very much that my colleagues in the government would support my position. Having spoken to my Queensland colleague the member for McPherson, I know that her position is very much in line with mine.

In 2003, an independent study by the Curtin University of Technology estimated that pharmacists nationally provided close to 78.2 million free consultations. The Pharmacy Guild of Australia estimates that, giving the ageing of our population, by the end of 2005—that is, in this year alone—this would jump to almost 80 million free consultations. In the Ryan electorate I have no doubt that this service is going to be threatened very significantly if the position changes. There is no doubt that many pharmacies in the Ryan community would face very difficult choices about their sustainability. There are 948 pharmacists in the electorate of Ryan. I have had the opportunity of going to visit many of these in my almost four years in the national parliament. It is a great privilege to know many of them, and the service that they provide to the consumers of Ryan is of a high quality.

I find it quite disturbing that the CEO of Woolworths, Mr Roger Corbett, wants to enter this market. I know that he runs a business and his bottom line is to provide the highest profitability for his company and for the shareholders, but I think the pharmacists in this country occupy a unique position. As I said, not only are they small businesses but they also provide an allied health role in this country. I want to place very firmly on the record that, as my duties permit, I will very strongly represent the pharmacists of the Ryan electorate and those in broader Brisbane.

Currently, pharmacies stock between 12,000 and 15,000 items. Many are small picks or unusual items which are rarely called for, but they are still stocked. Around 80 per cent of PBS medicines are stocked on a ‘just in case’ basis by pharmacists, representing a considerable amount of capital tied up on the back shelves. I am not sure if supermarkets would go down this route, given that their particular role is very much commercially orientated. I do not agree that supermarkets would place a strong focus on the health aspect of this business as those operating community pharmacies do.

As a very strong advocate in parliament for small business, and as a very strong advocate for the small businesses of the Ryan community, I want to again place on the record my strong feelings on this matter and reassure my constituents that I will be looking after them. I will be putting my position to the Howard government. If there are any signs of changes, I will certainly be lobbying my colleagues in the government. I know I have the very strong support of many of my Liberal colleagues in Queensland, and I am sure that many of my colleagues
Cane Toads

Mr GARRETT (Kingsford Smith) (11.10 am)—I rise to speak on a matter of great urgency—namely, the relentless march of cane toads across Australia. As the House would know, cane toads can be found throughout eastern and northern Queensland, and have moved west to the river catchment areas around Kakadu National Park. In New South Wales, cane toads have spread as far south as Yamba on the northern New South Wales coast and now cover an area of some 500,000 square kilometres.

The female cane toad can lay up to 40,000 eggs a month, with up to half of those expected to become tadpoles. I draw the attention of the House to the fact that cane toads are now steadily advancing towards Western Australia, the last part of Northern Australia yet to be infested by these noxious pests. According to sightings this week, they are as close as 200 kilometres from the Western Australian border. By next March cane toads could be in the Ord River wetlands, by which time the precious Kimberley region will be all but beyond saving. This special region faces an environmental, social and economic crisis and it will happen on our watch in this term of government, in this financial year.

Since first released in Queensland in 1935, cane toads have proved to be extinction in motion. They have no predators. A toad kills any native animal that tries to eat it or pick it up. In turn, it eats whatever it can fit into its enormous mouth. It is an aggressive competitor for habitat that forces other species into local extinction. For 70 years, this poisonous menace has spread unchecked and, as I have mentioned, has already infested Kakadu—one of our great national parks—and is on the suburban outskirts of Darwin.

The precious biodiversity of the Kimberley region is now in peril. One of Australia’s most significant bioregions, with hugely important cultural and natural values, is under siege from the cane toad. Infestation will result in the regional extinction of species such as monitors, freshwater crocodiles and native frogs—all integral to the environment of this region. Because of these immediate extinctions, the Kimberley economy itself is at grave risk—particularly its outstanding nature and culture based tourism operations, which rely on a toad-free habitat for their distinctive point of difference from the rest of tropical Australia. This will cost people their jobs. It will impact on rural townships finding their feet after September 11 and the collapse of Ansett.

Rapid extinctions will have a cruel social cost. Indigenous communities, who depend on native species for their cultural and spiritual wellbeing, will be left with nothing. After every indignity that Aboriginal people in Northern and Western Australia have endured and suffered, the loss of bush tucker on their hard-won native lands promises to be yet another cruel dispossession. The local Miiriwung-Gajerrong people have cried out for help. They are committed to joining their fellow citizens in fighting off this menace. I draw to the House’s attention the bipartisan community action involving two state governments—the Northern Territory state government and the Western Australian state government—and several NGOs, that has been undertaken to prevent the toad from entering Western Australia. This is an issue beyond race, class, politics or man-made borders; it is an issue of the moment.
In August last year the Minister for the Environment and Heritage, Senator Campbell, committed the federal government to match the Western Australian government dollar for dollar in its Kimberley cane toad initiative. The Western Australian government has earmarked $1.5 million and the Northern Territory government $1.4 million. Non-government organisation Stop the Toad Foundation has set itself the goal of raising $1.5 million for a groundbreaking trapping campaign in the Victoria region of the Northern Territory to stop the toad in its tracks.

I call upon the minister and the government to make good their promise to match state moneys and to join the efforts of two state governments and their communities to halt the westward spread of the cane toad while there is still time. Failure by this government to support the actions now will have irreversible consequences. The community and the state governments are ready to act. I strongly urge the federal environment minister and this government to commit the necessary funds to halt the cane toad and to protect the Kimberley region.

Indian Ocean Tsunami

Mr ANTHONY SMITH (Casey) (11.15 am)—The tsunami of Boxing Day 2004 is etched into all our memories as a day of tragedy and of loss of human life. The response to the tsunami by the world community was instantaneous and unprecedented. Australians alone contributed around $300 million through personal and corporate donations. The Australian Government’s initial and immediate commitment of $60 million, and the subsequent $1 billion package over five years to Indonesia, encapsulated how as a government and a nation we view our responsibilities to our neighbours, particularly when they are in dire need.

Organisations such as the Australian Red Cross, World Vision, UNICEF, CARE Australia, Caritas Australia and Oxfam Community Aid Abroad all responded immediately and with so much assistance on so many fronts. These organisations are renowned for their efforts in times of need and they are to be commended for their response. But so often it is the efforts of ordinary citizens and their personal commitment to those in need that are overlooked. These people and the communities they represent need to be acknowledged and commended. Of course, from the tsunami there would be hundreds of wonderful community stories of help in the region that make all of us proud as Australians. Today I want to mention just one. I want to acknowledge and express appreciation to Billanook College for responding to the relief effort to those affected by the tsunami on Phi Phi Island and other parts of the Krabi region of southern Thailand.

Billanook College is situated in Mooroolbark in the Casey electorate. The students and the teachers saw a need and responded by contributing the best way they knew how: to offer to go there themselves and help. Two of the staff members and six year 10 students gave up their holidays in April this year to assist the communities in the region. Their contribution was one of sheer hard work—working side by side with the locals to rebuild what had been destroyed. Where they were working there was no earthmoving equipment to remove the rubble. They laboured for three days carrying cement and construction wire and digging footings. They forged a bond with the local villagers, particularly with the young children who came out and became their companions. They watched and observed as our young volunteer ambassadors assisted in the building of five new homes. They bear witness to the fact that Australians, young and old, care and have shown this by putting their shoulders to the wheel to help rebuild shattered communities.
I would like to take this opportunity in the House to mention the staff from Billanook College, Megan Fortington and Mark Robert, and the students, Lisa Gray, Vanessa Smith, Andrew Wadsworth, Michael Brown, Brodie Smith and Laura Donovan-Hayes. With the future in their hands Australia is not only richer today but is guaranteed to be richer into the future. In the years ahead, the people of that region and of that island will look back and they will remember the help that official organisations and the Australian government gave—they will remember that as a nation Australia gave generously. But I think that far more than that they will remember the young students of Billanook College, who came there to help and who showed first-hand that the people of Australia cared and wanted to make a difference to their lives in their time of need.

Western Sydney Industrial Awards

Mr Hayes (Werriwa) (11.19 am)—We often hear people speak of the importance of Western Sydney as a centre of population and economic growth and as a centre of influence over the future development of Sydney, our most global city. Western Sydney is the economic powerhouse of Australia, with more than 150 of Australia’s top 500 companies located in the Greater Western Sydney region. From its humble beginnings as a manufacturing centre, today Western Sydney is home to many small, medium and large firms focused on innovation, export and growth.

Last Friday night I had the honour to see the best of our industries on display at the 2005 Western Sydney Industry Awards. While highly focused and highly innovative companies are operating throughout the region, I was pleased to see that a number of businesses operating in the electorate of Werriwa were among the finalists. With so many businesses operating out of the nearly 1,000 hectares of business parks located in Campbelltown, Leumeah, Ingleburn and Minto, it came as no surprise that some of the finalists were from Werriwa.

One such award winner was Broens Industries from Ingleburn. Broens has operated for more than 25 years, designing and manufacturing high tech solutions for precision engineering, tooling, special purpose machinery and automation applications. It currently exports to 17 countries and includes among its customers companies such as Mercedes Benz, Ford, GM, Boeing and Airbus. The company employs 150 people, including 27 apprentices, and is reported to invest around 30 per cent of its annual turnover in process development and new products. Broens took out the very prestigious Global Excellence Award and the Most Outstanding Large Business Award—fitting tributes to its efforts.

However, Broens was not the only company with a base in Werriwa to take home awards that night. Reln, a manufacturer and distributor of surface water drainage and effluent disposal products, based in Ingleburn, took out the Excellence in Innovation Award. Reln’s environmentally responsible solutions and recycling products are now distributed to more than 350 local governments in Australia. The Luemeah based business Editricks also received a special mention. Since 1992, Editricks has specialised in the ongoing filming, collection and preservation of historical film and video—especially that from the Macarthur region. Editricks is also an excellent corporate citizen, contributing to its community by taking on projects for charitable organisations and community events. I looked through the many and varied finalists and noticed one thing that the vast majority of them had in common: these companies are innovators in their field and all make regular and significant investments in research and development.
Yesterday I had the opportunity to comment on the report of the Standing Committee on Employment, Workplace Relations and Workforce Participation, *Working for Australia’s future*, when it was presented in this chamber. However I did not touch on the discussion of research and development contained in the report. The report highlights the need for more research and development by Australian business. A common view is that as a nation we need to invest much more in research and development if we are going to maintain a competitive position in the global economy. Submissions to the committee noted that Australian and New Zealand are the only two OECD countries in which private investment in research and development is lower than public investment. The success of the Werriwa based companies I have mentioned—the fact that they remain at the cutting edge and receive awards for innovation and excellence—rests on their understanding of the importance of research and development. They know that to remain at the forefront of their field they have to invest in research and continue to develop new and innovative processes and new and innovative products.

The example set by the finalists of the Western Sydney Industry Awards is not one that should be lost on any of us in terms of the future of Australian industry if we are to maintain our forefront position as we approach competition in challenging global markets. All of these businesses are to be congratulated for their outstanding achievements. These businesses invest in their local areas, provide local jobs, contribute to their communities and continue to invest in research and development to help themselves innovate and grow.

I congratulate all of the businesses who so deservedly received awards on the night and I look forward to businesses in Western Sydney, and in particular those in south-west Sydney continuing to make an outstanding contribution to the Australian economy—both on the national and on the international stage. *(Time expired)*

**Publications**

Mr SLIPPER (Fisher) (11.25 am)—So often in politics we tend to get criticised and credit is not given where credit is due. From time to time all of us feel that maybe the very substantial contributions that we make in our different ways to public debate are not necessarily recognised. The coalition, over the last couple of days, has seen the launch of two very interesting occasional publications. I would like to congratulate my good friend Dr Andrew Southcott, the honourable member for Boothby, in Adelaide, for his publication *Looking Forward*. Similarly, I would like to congratulate my friends Mr Andrew Robb and Senator Mitch Fifield for publishing *The Party Room*.

Over the last 60 years there has been a contest of ideas in politics. Over the last 60 years the world has changed. The Liberal Party stands for what it always stood for—that is, there is reward for initiative, enterprise and hard work. The Labor Party, however, no longer stands for the prime part of its platform, which was the socialisation of the means of production, distribution and exchange. When one looks at the policies of the Hawke and Keating governments, Mr Deputy Speaker Adams—I know that you personally closely scrutinised those policies and maybe you helped create them—one will see that the Labor Party has moved a long way from its ideological roots.

The publication *Looking Forward* was launched by the Treasurer, the Deputy Leader of the Liberal Party. He drew some very interesting historical comparisons. Regrettably, a division was called just before he reached the climax of his speech, but we got the message that the Liberal Party is the party of ideas. We are the party of innovation. We are a party whose ideas,
to a certain extent, have been stolen by the Labor Party. The point the Treasurer made was: why on earth would anyone ever vote for the Labor Party to implement policies that were originally the idea of the Liberal Party?

The Prime Minister launched The Party Room. Similarly, he has been encouraging discussion on our side of politics about important issues. I want to recognise some of the contributors to the first editions of Looking Forward and The Party Room. Sixty years ago Dr David Kemp’s father, CD Kemp, when he was involved with the Victorian IPA, produced a magazine called Looking Forward. Some of that magazine was used by Sir Robert Menzies as the genesis for the philosophy of the great party that is the Liberal Party of Australia. Dr David Kemp wrote an article entitled ‘Sixty years in the battle of ideas’. For those members opposite who may not have read his article as yet, I can only commend it to them. Senator Nick Minchin, the Minister for Finance and Administration, contributed an article entitled, ‘Facing the Facts’. Michael Keenan, a new MP, wrote an article on Menzies’ foreign policy. The former federal president and former state president of the Young Liberals, Nick Park—who occasionally has assisted in my office; his brother Andrew Park works for the Minister for Foreign Affairs—brought the youth perspective to Looking Forward and David Crawshay wrote an article on the Liberal social reform tradition, highlighting that, in many cases, social reform in Australia has been the responsibility of the Liberal Party and not the Labor Party.

Contributors to The Party Room, which is a magazine designed to reflect the views of member and senators, included Senator Brett Mason on the topic ‘The tragedy of conspicuous compassion’; Michael Keenan, again, with ‘Clear Skies Ahead’; Andrew Laming, with ‘The Power of Choice’; Kevin Andrews, with ‘The Business of Indigenous Affairs’. Dr Dennis Jensen had a very thought provoking contribution on nuclear power, ‘Time for a reasoned debate’. Senator Alan Ferguson wrote on the Commonwealth—is it more relevant to the Pacific than the UN? Wilson Tuckey—not to be outdone—wrote on funding people, not institutions, and Chris Pearce had an article entitled, ‘Bringing back the Piggybank’.

The point I am making is that, in both these publications, we have encouragement of a variety of ideas. We are in a new millennium. The Liberal Party is looking forwards and the Labor Party is looking backwards. I simply want to commend the authors of both publications. (Time expired)

**Bendigo Electorate: Maryborough**

**Mr GIBBONS** (Bendigo) (11.30 am)—I rise to inform the House that the rural city of Maryborough in my electorate has been dealt yet another body blow by the Howard government. I refer to the decision by the Commonwealth government, through the Department of Family and Community Services, to reduce funding for the Goldfields Children’s Centre, which is the only child-care service in Maryborough. The announcement means that there will be a substantial reduction in funding over the next three years. The centre has been operating for the past eight years and has 18 staff, who provide care for around 65 children. This is a serious body blow to Maryborough residents, many of whom rely on low-cost child care while working mostly in part-time jobs or while spending a considerable amount of time travelling, looking for work.

The ABS states that the electorate of Bendigo, of which Maryborough is a major centre, has a median weekly family income of just $736 per week. Given the high levels of unemployment in and around Maryborough, the average family income for this district would be
much lower than this figure. In fact, the general unemployment rate in Maryborough for the December 2004 quarter was 16.7 per cent—11.6 per cent higher than the national average of 5.1—with teenage unemployment expected to be around 32 per cent, which is more than double the normal rate.

Maryborough’s unemployed people are being left behind because of the Howard-Costello government’s failure to invest in skills and training. If the national unemployment figure were 16.7 per cent, there would be a major scandal; yet Maryborough is expected to tolerate unemployment levels three times the national average. I believe the true unemployment figures are much higher, as these figures do not tell us how many people are only working a few hours per week. The Australian Bureau of Statistics figures show that one in five people who work part time want more work than they currently have, and recent trends show that 90 per cent of new jobs created are part time. These figures come as Maryborough and Central Victoria feel the impact of the national skills shortage crisis, with many local businesses struggling to find qualified workers across most of the region’s industry sectors.

The federal government has failed to address the growing skills crisis, and it is hurting the Maryborough community. Instead of helping local people to get the skills to find work, Mr Howard and Mr Costello are turning thousands of people away from TAFE courses and universities and we now have to import skilled labour from overseas countries. Now the community has been dealt another blow with a substantial reduction in funding for its essential child-care services.

This is not the first time the Howard government’s policies have failed to assist this region in a time of crisis. I refer to the decision by the Nestle company in 2001 to close its Maryborough plant and export 140 Maryborough jobs to New Zealand. Not only did the Howard government ignore the plight of Nestle workers by doing nothing to assist them, despite repeated requests to help; it actually worsened the situation by attempting to blame the union for Nestle’s decision to move its operation offshore.

In answer to a prearranged question on a Wednesday from a Liberal MP, the Minister for Agriculture, Fisheries and Forestry, Mr Truss, launched a scathing attack on trade unions and cited industrial problems as the reason for Nestle closing its Maryborough facility and relocating to New Zealand. This was a vicious slur on Nestle’s dedicated and competent work force in Maryborough and it continued the union-bashing frenzy that the Howard government has indulged in over the past nine years. Nestle management had paid great tribute to the Maryborough workers and had never said that industrial problems were the cause of the decision to relocate. In fact, on several occasions since making the announcement to close the plant, the Nestle company went out of its way to praise its employees. When Nestle management refuted the minister’s appalling statement, the minister did not have the decency to apologise.

The state Labor government has worked tirelessly to assist Maryborough in a range of areas, including attracting industries to Maryborough and, in particular, establishing a vitally important education precinct. In contrast, the Howard government has caused nothing but distress for Maryborough workers in the printing industry, the honey industry and other manufacturing industry sectors. This latest blow to the children’s centre will impact severely on an already depressed region. I urge the minister responsible to review this callous decision. The Howard government continues to treat the Maryborough region with all the compassion shown by the Third Reich.
Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (11.34 am)—I am delighted today to launch a 10-point plan for the town of Koo Wee Rup within my electorate. Koo Wee Rup is a wonderful town. It has a long tradition as a farming centre for potatoes and asparagus. The clearing of the swampland over the course of the last century has helped prepare that area. Today there are many young families moving into the area. As a result, there is a series of needs, both rural and urban, which present themselves for Koo Wee Rup. In conjunction with the member for Bass in the Victorian parliament, Ken Smith, we are putting together a 10-point plan for Koo Wee Rup.

The first of those points is that we will work tirelessly to replace the portable building at Koo Wee Rup police station with a permanent building. This building needs to be upgraded. It needs to be in better condition. We need to convince the state government that local law enforcement must be given a higher priority through a building upgrade and through a campaign to do that. The second thing that we will be pursuing is an upgrade of the intersection of Station Street and Rossiter Road in Koo Wee Rup. This intersection, as many locals have said to me on many occasions, is dangerous. More needs to be done to ensure that it is safe. Many heavy trucks travel through that area; they use it as a bypass. Local schoolchildren are at risk. We have three local schools. Kids pass through that area, and we have to take steps to protect them and to upgrade the intersection.

The third point is that we want to help rejuvenate the streetscape in Koo Wee Rup. Both Station Street and Rossiter Street would benefit from a rejuvenation program, such as a Work for the Dole project along the lines of that which we did in conjunction with the kids from Crib Point primary in Crib Point. The fourth project which we want to pursue is about establishing more car parking spaces—in particular, working with the Cardinia Shire, a shire that does a great job, to develop a strategy to obtain more car parking in the area. The fifth project which we want to pursue is work to revitalise the train line and train station for community purposes. The state have announced that they will be reconnecting the line, and the message is very simple: please either proceed and do that, or allow the community to use the line and the station area for practical community purposes, a sensible outcome.

The sixth element of the plan is to ensure that the needs of the local hospital, the Koo Wee Rup health service, are met and that there is an adequate allocation of aged care places to meet local demand. The Commonwealth allocates places but, unfortunately, the Commonwealth is not entitled to allocate anything to Koo Wee Rup Regional Health Service, because it is state owned, unless the state asks for those places. The state is standing in the way of the local community and of the board of the health service, also known as the Koo Wee Rup hospital, and preventing them from making the application. We want to work with them. We want to help deliver those aged care places. The area has need for them. We would encourage the state to allow them to make the application and to support that application.

Point No. 7 in the plan for Koo Wee Rup is to work to deliver more child-care and after-school care places for Koo Wee Rup. We have already had some recent announcements on this issue. In particular, we would like to work with local child-care providers, with the schools and also with the Koo Wee Rup Regional Health Service in providing those places. There are some very interesting proposals. A commitment both Ken and I have made is to work towards getting additional child-care places in Koo Wee Rup.
The eighth point is in relation to the Koo Wee Rup bypass. Locals overwhelmingly want the trucks out of town. They want the bypass down the Koo Wee Rup-Pakenham road. That would also help with the Clyde-Five Ways Road. The ninth point is in relation to cleaning up and paving the parking area outside Koo Wee Rup primary—a small but important project. The 10th point is to work for an Australian technical college annex for Koo Wee Rup secondary or within Koo Wee Rup, to help create additional technical opportunities. This is an area which has a proud working tradition. This would be an outstanding addition for both Koo Wee Rup and for Pakenham. I commend the 10-point plan for Koo Wee Rup to the House, and I say thankyou to the community and to the shire for their wonderful work.

Carers Allowance

Ms HALL (Shortland) (11.39 am)—Today I wish to raise an issue that I have raised before in this parliament: the issue of carers allowance and carers payments for parents of children with disabilities. The particular case I would like to concentrate on today is that of a constituent called Tracey who has a son with severe autism. He has been diagnosed as having autistic spectrum disorder, global development delay and severe communication disorder. This young boy is 3½ years of age. He does not speak and is severely disabled. He requires constant care. His mother receives the carers allowance for him. Unfortunately, his mother is also eligible for carers allowance for two of his siblings. She has put in an application for carers payment and this application has been rejected by Centrelink. My office is following this up with Centrelink.

This is a very big issue, one that I have been confronted with on a number of occasions. I am sure other members have also been confronted with this. These are parents who are absolutely struggling. They are working beyond their capacities to care for their disabled children. In this case I thought I would run through some of the problems that this young boy has. His mum cannot turn her back for a moment. If by some chance she closes the door but does not lock it, he will run out onto the street. If she turns around for a moment, he will turn on the stove. He has absolutely no speech at all and is not even able to point to identify what he wants. He does not answer to his name. He has problems in a number of areas and no idea whatsoever about personal safety or what will happen as a consequence of his actions. He does not play with anyone. He has all the classic symptoms of a person who suffers from autism. In addition to that, this young child has an intellectual delay.

To be quite honest, his mother is really struggling to survive. Just imagine having three disabled children, with the youngest one having these severe disabilities. She has applied to Centrelink for the carers payment and been rejected. I find it very hard to believe that she is not able to be granted carers payment. The disability levels of the children have been supported by assessments that have been conducted by a clinical psychologist. She is getting support from DADHC in New South Wales. She has a child who needs 24-hour a day care. That child needs assistance with feeding and toileting and needs constant supervision for his own safety. Such a payment would ensure the security of the family and the children. It would ensure that there is less cost to the community, because if this mum cannot provide the adequate care that this young child needs then it will fall to government to pick up the cost of providing that care. Time and time again I have come across situations where parents of children with a severe disability have been refused carers allowance or carers payment and you have to go in and make strong representations. I am sure that eventually we will be able to turn this around.
The bottom line is that there is a problem with the assessment tools. The assessment tools need to be changed. *(Time expired)*

**Dunkley Electorate: Employment Program**

**Australian Parliamentary Delegation to Indonesia**

Mr BILLSON (Dunkley—Parliamentary Secretary (Foreign Affairs and Trade)) (11.44 am)—It is a great pleasure to have a few minutes to convey some thoughts about the issues and concerns of the community that I represent and also about some of the good work that is going on. In the next few weeks I will be releasing a report on an Employment Innovation Fund program to assist mature age workers into the work force. We piloted that program in the Mornington Peninsula area under the auspices of the Peninsula Job Team and South East Development. We provided a number of what were initially pilot programs aimed at tackling the barriers to mature age job seekers entering the work force. These are not only white- and blue-collar mature age job seekers but what have been called ‘pink-collar’ mature age job seekers—people who have been primarily focused on family-raising responsibilities but who are now in a position to get back into the work force.

Through the support of the federal government and the Employment Innovation Fund, we were able to host a number of workshops. The important thing about these workshops is that they sought not only to build the confidence and the optimism of the job seekers but also to make sure that mature age job seekers were meeting the market—that is, the nature of work and the expectations of employers. The workshops even raised the thought of portfolio work, where a number of part-time roles might represent the working life of a mature age person, or any person. This is the contemporary reality of the labour market. For some people who had not been in the work force for some time, there was a sense that perhaps they were looking for a kind of work that might not be there and, in effect, narrowing their own opportunities.

What has been most innovative about this is that our approach has sought to dismantle or, in some cases, put to one side position descriptions that people were using to limit their own options. Some people who had had a job title or a particular role in a particular workplace or industry were looking to re-enter the work force in the same kind of industry and the same kind of role and were perhaps looking for jobs that had a very similar position description. Our view—and I think we have been vindicated by the work—was quite clear: this is not the best way of going about trying to find a job. All of us who have been in work for some time develop competencies or capacities. Through this program, we are able to look behind the job title or position description and focus on what made people successful in a whole range of different workplaces and to recognise that those skills, capacities and competencies are quite transferable into a range of new employment opportunities and enterprises in a range of different workplace arrangements that are available and for which mature age job seekers are ideally suited.

As well as that avenue to the program, there are other aspects, such as making sure that information technology or computer skills are not a barrier. The program also recognises that people can get down on themselves and so perhaps will not put forward their most positive attributes when they are involved in searching for jobs after a number of disappointments. With a success rate of 50 per cent, we have clearly demonstrated that this program works. Looking at how the recent federal budget recognises mature age job seeker participation as a key employment challenge, this is a nice coming together of a national policy initiative with
local work and collaboration. This program has shown that things can be done to get mature age job seekers fully involved in the work force—as they should be, if that is their choice—fully contributing and also benefiting from that economic engagement. I commend that pilot program to the House. For members who are interested in mirroring the work that we have undertaken in Dunkley through the Peninsula Job Team, a report will be published shortly on that work.

In the minute that is available to me, I would like to share with the House our work of a fortnight ago when I led a parliamentary delegation to Indonesia and up to Aceh to see how our relationship with the Indonesian government and the nation more generally is travelling and also to see how the reconstruction and rehabilitation work in Aceh is going. Can I say that there is no race to spend the money. It is not a reckless charge to unload cash in an area that has been devastated. There are some fundamental decisions that the Acehnese have been making and need to make, such as: do you reconstruct where the devastation is the greatest? The coastline has dropped by about a metre in the areas that have been devastated. Does one simply reconstruct without assessing whether that is wise and in the long-term interest? The Acehnese have been making those assessments, and the Indonesian government have been very focused on that. People need to come to grips with the actual work to be done. (Time expired)

The DEPUTY SPEAKER (Hon. AM Somlyay)—I inform the Main Committee that it is my intention to suspend sittings at 11.55 am in order for members to be able to attend the House for a statement to the House by the Deputy Prime Minister.

Proposed Brickworks at Perth Airport

Mr WILKIE (Swan) (11.50 am)—For many years I had the privilege of representing the good folk of Hazelmere as part of the federal electorate of Swan. Through a redistribution in 2000, however, Hazelmere became part of the new federal seat of Hasluck and was splendidly represented for three years by Sharryn Jackson. At the last election Stuart Henry won the seat for the Liberal Party. While I no longer represent the suburb specifically, I rise today to discuss a proposed new development in Hazelmere on Commonwealth land leased to Perth Airport. The terminals on the majority of the grounds of Perth Airport fall within my electorate; and, as I said, while the proposed development falls within Hasluck, the potential impact on my own local community is significant.

The project I wish to draw the House’s attention to today relates to the leasing of Commonwealth land to the private company BGC for the purposes of a new brickworks. Members from other states may not know that the economic boom in Western Australia over the last few years under the Gallop administration has meant that there are simply not enough bricks for the number of houses being built. Despite the federal Treasurer’s attempt to cripple the Western Australian economy by recently calling for businesses to move out of my home state, sound social, economic and environmental policies under the Gallop government are bringing more people to Western Australia than ever before. There is a genuine need for more bricks in Western Australia, and companies such as BGC that are able to fill this demand swiftly are to be commended.

To say, however, that there is community unease within both my electorate and that of Hasluck over the brickworks development is an understatement. I understand that the member for Hasluck was represented at a community forum recently hosted by the state member for Mid-
Under Geoff Gallop, Western Australians are benefiting from one of the most environmentally conscious governments in my state’s history. The state Minister for the Environment, Judy Edwards, is a committed advocate for WA’s beautiful but sometimes fragile environment. She is part of a government which has successfully balanced concern for the environment with economic and industrial progress. It is a shame that the same level of concern for the environment is not shared by the federal government. I join with Minister Edwards today in remarks she has conveyed to the federal Minister for the Environment and Heritage, Ian Campbell, that the brickworks development at Perth Airport must be assessed by an environmental impact statement under federal environmental laws. This is the minimum level at which the proposal should be assessed, especially as the development potentially could increase brickworks omissions during the strong easterly breezes of summer over my own electorate. It is essential that the proposal be subject to an open and transparent public consultation process and that issues of potential hazards to native vegetation, declared rare flora and threatened ecological communities are assessed.

I am equally concerned about the increasing use of Commonwealth controlled land for non-airport related developments. Already the brickworks development will see a local golf club removed from the grounds of the airport. There are already three brickworks in the region, and the Swan Valley air shed, which my constituents breathe, may already be overloaded with toxins. I intend to expand on this and other issues relating to the Commonwealth’s conduct at Perth Airport when parliament resumes.

Today’s announcement in five minutes time from Mr Anderson is, I imagine, that he is stepping down as Minister for Transport and Regional Services. It is, I believe, a step in the right direction for a number of reasons. One leading transport representative said to me only 15 minutes ago that this may be one small step for Mr Anderson but it is one large step for Australia. It is also one giant step forward for the people in Swan. I hope that the new minister will start to put some focus back on Western Australia in terms of transport infrastructure. I have already spoken in this place about the need for more funding for the Great Eastern Highway and how the current AusLink program is ‘EastLink’ as far as we are concerned because it is so focused on this side of the country. We need that focus back on Western Australia. In terms of the new minister, I would wish the member for Parkes well. I would like to see Mr Cobb advance somewhat. I think he would do a good job in that portfolio.

The Gallop government is protecting and enhancing the state’s lifestyle and environment. The Commonwealth government should share in that commitment to Western Australia. I look forward to hearing the member for Hasluck’s views on the brickworks development in his own backyard.

Sitting suspended from 11.55 am to 12.30 pm

Supported Accommodation Assistance Program

Ms PLIBERSEK (Sydney) (12.30 pm)—I want to speak very briefly today on the Supported Accommodation Assistance Program. This very important program commenced in
January 1985 and is designed to address the needs of Australia’s homeless people. In December 2004, the Howard government announced its funding offer to the states and territories for the fifth round of funding for the Supported Accommodation Assistance Program, known as SAAP 5, which is for the forward five years and is proposed to start from 1 July 2005. The Commonwealth’s offer is an allocation of $931 million over five years, with indexation of just 2.1 per cent. This represents no increase in Commonwealth funding for the SAAP agreement beyond indexation, despite the fact that the Homeless People in SAAP: National Data Collection Annual Report 2003-04—the government’s own report—outlined that the program was operating at capacity and needed a funding injection of 15 per cent just to meet unmet demand. We hear now that this 15 per cent is needed just to keep open the doors of many of the homeless shelters that I deal with, including women’s refuges.

During budget estimates the government admitted that every day, nationally, around 300 people are turned away from Supported Accommodation Assistance Program services. That is a very significant number of people. Of those people, a substantial number are women and children who become homeless because they are fleeing domestic violence. Around 20 per cent of people who seek assistance do so because of domestic violence. In addition, around 22 per cent of the services funded under this program are targeted at that demand. Fifty-eight per cent of all SAAP clients are women.

Starting in March 2005, the New South Wales Women’s Refuge Resource Centre asked all its member refuges to send a letter to Minister Patterson whenever they had to turn women and children away from their centre’s services, so that the minister would become aware of the human effects of the government’s refusal to increase SAAP funding. To date, 16 refuges have participated by sending 150 letters to the minister, telling of 512 women and 585 children being turned away from supported accommodation at refuges—I repeat: 585 children. Most of these refuges are in regional areas such as Tamworth, Maitland, Ulanalda, Kempsey, Tweed Shire, Wagga Wagga, Katoomba, the Central Coast, Forbes and Woy Woy. If a person is turned away from such a service in one of these towns, they have nowhere else to go, as most of the towns have one refuge—and that is it. It is common that women and children fleeing home because of domestic violence do so with just the clothes they stand up in. They seldom have money or possessions with them. So to be turned away from a refuge is dire indeed.

Women’s refuges play a vital role in assisting women and children escaping from domestic violence and in trying to prevent them from becoming homeless. When a woman and her children finally gain the courage to leave a violent man and go to a refuge but are told that there is no room for them, in many cases they will return home—and the consequences of that are quite disastrous. One refuge on the Central Coast, in some of its letters to the minister, outlined the circumstances of people who were turned away. It told of a 33-year-old woman who had been homeless for over 12 months since leaving a violent partner; a 26-year-old mother with two children, aged nine and four; a 21-year-old woman with a 19-month-old son; a woman with two children who had been living out of her car for the previous three days; and a woman with four children who had stayed in another refuge for eight weeks. They also told of a woman with four children, aged 17, 15, 11 and 10—her 15-year-old daughter also had a very young baby—who had been refused 17 rentals. They also told of a woman with three children who had been referred by the Newcastle Domestic Violence Information and Referral Line.
We are letting these people down by not providing adequate funding for them. We encourage women to leave violent situations but, when they do, the first place they turn to tells them there is no room at the inn. They have no alternative but to go back to violent partners. (Time expired)

Aviation Services: Gold Coast

Mr CIOBO (Moncrieff) (12.35 pm)—The past several weeks have certainly been big for the tourism industry in Australia and particularly for the Gold Coast, Australia’s premier tourism destination. I am very pleased that over 20 per cent of the people in my electorate are directly or indirectly employed in the tourism industry and that some 35 per cent of our local economy is made off the back of the tourism industry. It is a vibrant industry that provides excellent career opportunities and that I believe will go from strength to strength.

In many respects, the success of the tourism industry is borne upon the ability of people to travel. By definition, tourism is the travelling of people from one destination to another to have new experiences, to enjoy new delights, to have the opportunity to learn more about other cultures and, of course, to participate in a range of activities. The Gold Coast offers more than most—that is part of our natural competitive advantage. A key debate taking place of late, though, relates to the provision of airline services to the Gold Coast. It is Australia’s sixth largest city and it is rapidly growing. There has been a very strong push of late regarding the need for more transport infrastructure to the city, particularly for the resumption of airline services by Qantas.

The Gold Coast continues to prosper in terms of the demand for tourism. In many respects that has been brought about by two key changes recently in the dynamics of the airline travel market into the Gold Coast. One of these was the commencement of the low-cost carrier airline, Virgin Blue, and the other was the initiation of Qantas’s no-frills carrier, Jetstar. Both of these airlines have played a very significant role in attracting new tourists to the Gold Coast. Both of these airlines have played a very significant role in growing the market pie, so to speak—attracting more people and providing more opportunities for people to travel to holiday destinations like the Gold Coast. Nonetheless, there has been a very strong view within elements of the Gold Coast community that this has come about, in some part, at the expense of the city’s business base and its premium-yield clients, business tourists. There has been some angst in the Gold Coast community that Qantas has not been able to satisfy the demand for additional services and additional scheduled Qantas flights in and out of the Gold Coast.

I have spoken about this issue with Qantas on many occasions. I must state very clearly on the record that Qantas has always demonstrated an openness and a willingness to have conversations about the long-term sustainability and the best shape of the Gold Coast inbound travel market. Whilst I certainly understand the concerns a number of tour operators, chambers of commerce and business leaders have about the need for Qantas’s premium brand to fly into the Gold Coast, it is very clear that a business case must be made. Qantas has always demonstrated to me a willingness to talk, but also it has stated very clearly that there must be a commercially sustainable business case put to it for additional flights beyond the two a day now made to the Gold Coast.

Tourism operators in my city certainly want to have an additional lunchtime flight by Qantas into the Gold Coast that would enable better interlining for inbound international passengers. But it is very important that, instead of simply calling for this, we demonstrate that it can
be done in a sustainable way. I note that Virgin Blue recently announced that it would be providing business class services on its traditionally no-frills carrier. This decision tends to demonstrate to me that a business case can be made. I call upon all those in the Gold Coast tourism industry to join with me in putting together a case to demonstrate the merits of Qantas re-establishing more services beyond the two flights a day that it currently has into the Gold Coast. We certainly have the ability to put a rational argument that there is demand, especially when Virgin Blue, a competitive carrier, has made announcements about going down that path. We welcome the commitment from Virgin Blue, we are thankful for Jetstar’s contribution to the Gold Coast economy, and we are grateful that Qantas provides the services that it does. But we will continue to push for more services, believing it to be a win-win situation both for Qantas as a premium carrier and for the Gold Coast. (Time expired)

Telstra

Ms GRIERSON (Newcastle) (12.40 pm)—I wish to raise a case that I think is extremely important. It is a David and Goliath story; the Goliath of course is Telstra and the David is a three-person company in my electorate called Stickybeek. It is important to note that in March 2004 Telstra’s directories arm Sensis paid $636 million for the assets of the Trading Post group. Obviously online marketing is a lucrative business. At the time commentators said that that price was ‘way outside the criterion for such an acquisition’. Ziggy Switkowski conceded that they had paid ‘a very full price’. It seems to me that they will do anything to recover that cost which they paid for the Trading Post.

My constituent came to me in October to say that his business was being prejudiced by what he saw as the predatory behaviour of the Trading Post—that is, Sensis and Telstra. What was happening was that when you went into a search engine like Google and typed in ‘Stickybeek’ because you wanted to look at a car that was for sale, a search page would come up with Stickybeek’s listings. But on the right-hand side of the screen would come up the word ‘stickybeek’ also spelt with a ‘double e’ not an ‘ea’. When you clicked on that you would go directly to the Trading Post site. One would think that that is an unacceptable trade practice. When he sought my advice I advised him to take the matter to the ACCC. We do have regulators and we should have faith in them. Certainly as a three-person company with a registered trademark at risk he was not able to take on a corporate giant like Telstra—and certainly not able to take on the litigation costs that might arise.

During the time that we were taking this up with the ACCC my client videoed everything that occurred on the sites. It did not just happen on Google; there were something like 12 search engines which were also displaying the word ‘stickybeek’ with a direct link to the Trading Post. Everyone here knows that that is a distinct competitive disadvantage for my client. The ACCC finally made their decision this week. It is one that I am dissatisfied with and one that my constituent is dissatisfied with. Certainly they reviewed the practice and were concerned about it. When they wrote to the Trading Post and alerted it to this practice it instantly ceased. That was too late for my client, of course, who lost customers and contracts out of this. The enforcement committee made the decision that, in their judgment, the Trading Post’s conduct may have contravened sections 52 and 53D of the Trade Practices Act and therefore may have constituted misleading or deceptive conduct and misrepresentation of an affiliation or sponsorship that the Trading Post did not have in suggesting that it was Stickybeek. Today, interestingly, because I have registered my dissatisfaction with the ACCC’s deci-
sion and my constituent has registered his dissatisfaction, a representative of Graeme Samuel, the Chairman of the ACCC, contacted my constituent saying that, yes, they have reviewed the video clip, which they have had for many months, which shows beyond doubt that this was what the Telstra-Sensis-Trading Post was doing. Those sections of the Trade Practices Act are clear on this. It seems that the committee’s decision then was, ‘Okay, it may have breached the act, but because that practice has stopped we are not going to take it any further.’

I do not know what small businesses in regional Australia have to do already to protect themselves from predatory competitors of huge scale. When Telstra is no longer half owned by the government and has no regulator, one wonders what chance they will have at all. It seems to me that this is a case that should have gone to the full commission. I would call today in parliament for Graeme Samuel to make that decision and to review the case to protect everyone using the internet and to protect everyone using online marketing and online advertising. This is a case that I think deserves thorough attention and review by the ACCC. It is not good enough for my client to just be told, ‘Yes, we think they were wrong and they were doing the wrong thing by you,’ and ‘Yes, it may have cost you money. You have recourse under civil action; you can take it to protracted litigation if you have millions of dollars.’ Most small businesses in Australia do not have millions of dollars. This is a case of corporate muscle being used in absolute disregard of the law. (Time expired)

Country of Origin Labelling

Mr LAMING (Bowman) (12.45 pm)—Today I wish to highlight the importance of country of origin labelling and the important role that that is likely to play in the growth of our retail sector, with a particular focus on the grocery subsector of Australian industry. It is worth noting that the entire retail industry is worth $223 billion a year—an extraordinary figure when we talk about government revenues and expenditure—and 25 per cent of that is devoted to the grocery sector. It has been in a stage of consecutive growth over the last five years of approximately five per cent per annum. Despite this growth and the increase in availability of retail products to consumers in all parts of Australia, we can also report that, as a percentage of disposable income, the amount of money spent on retail products, and groceries in particular, is falling. That is a product of better services, better products and lower prices relative to wages, and the result of strong competition in the sector, delivering more for shoppers.

Figures taken from 1980 show that an average of 13.9 per cent was spent on groceries, but, over a generation, that figure has fallen to an astounding 10.3 per cent. That is a large change for households. Demographic changes, such as the slowing population growth and smaller families, better access to supermarkets and a larger range of groceries are forcing down prices compared with the CPI, and that is also evidenced with the lower levels of inflation that we have enjoyed in the last five years.

The role of technology has been important as well, and, despite a concern that I will mention later about consolidation in the retail and grocery industry, we are seeing the arrival of new merchandising strategies, electronic labelling, distribution sales and markdowns, which are all becoming more and more prominent. In addition to consolidation of the retail industry, in groceries in particular, there are some new entrants. The arrival of Aldi has considerably changed grocery purchasing habits in my electorate of Bowman. In this case, the residents are the beneficiaries of choice, with many people availing themselves of new competition where before there was less. A combination of consolidation in the industry with, at the same time,
new entrants reflects a *Blue Ocean Strategy* approach to the sector—that is, just when it seems to be consolidating, quite often it simply opens up new opportunities for new entrants to offer different products to differentiate and take advantage of newly created markets that we could not have dreamed of only a few years ago.

Obviously, total retail expenditure is coming off a relative high point in the growth cycle. There are some questions about forecasting exactly where the grocery sector will be heading. I want to highlight that, while estimates range between three and five per cent in real terms per annum, at the same time there is the question of a growing current account deficit and the role that further country of origin labelling and more obvious Australian made and Australian product marking on labels could play.

A number of surveys have been done within Australia, and I would like to highlight the following questions that were asked in the Australian Made campaign. In that survey shoppers were asked: thinking about shopping, how often do you consciously buy Australian made? Would you rely on or look for particular factors if you were looking for an Australian product? How easy or difficult do you think manufacturers make it for you to identify a product as being Australian? When you see ‘made in Australia’ or ‘product of Australia’ on the packaging, what is your understanding of those two claims? The findings were that almost half of all Australian adults buy Australian made products wherever possible. That suggests that customers are likely to be less price sensitive than we might otherwise expect. They may well actually be seeking out Australian made products.

I conclude with the point that there are some business and marketing opportunities for Australian producers in coming together and labelling more clearly the origins of the ingredients in their products. We could see a growth in locally and domestically produced groceries, and a corresponding fall in the amount of imported groceries that are produced, simply by making more crystal clear country of origin labelling. I know there have been some moves to approach industry in this area and to offer clear labelling in exchange for a small contribution to continue an Australian Made product campaign. I would support that effort fully, and I wish industry all success in promoting Australian made products. *(Time expired)*

**Indigenous Health**

Mr McMULLAN (Fraser) (12.51 pm)—Some five years ago the international community, through the United Nations, established eight Millennium Development Goals. These are specified targets to be achieved by 2015 which, broadly summarised, are about improving the lives of the poorest citizens in the world and form part of the fight against global poverty. That decision was important for a number of reasons. Today I want to focus on one part and consider its application in Australia.

The global community essentially decided that they wanted to focus on outputs instead of inputs and processes. Debates about inputs in overseas development have been important for a long time. There has been a debate about the 0.7 per cent target. The debate about process is also important—grants versus loans; multilateral versus bilateral. They are all important, but we decided as a global community to focus on outcomes. That decision has been important because it has generated serious, focused activities—for example, by the UK with Gordon Brown’s initiative for an international finance facility and by the United States through the millennium challenge accounts. These are different but both are positively targeted at achieving those goals.
I have been disappointed that Australia has done so little, but that is not my point of focus today; that is for another debate. I want to raise the fact that we should consider taking the same approach with regard to the circumstances of Indigenous Australians. We need to do something about setting an Australian equivalent of Millennium Development Goals, where we focus on outcomes rather than inputs and processes. I am very determined that we should do that. It is not my advocacy that we should abandon the rights agenda. That is quite a different issue, and I will continue to speak out about land issues and Indigenous rights. But in Australia we are crying out for some outcomes, and we are not focusing on them because we are debating issues of inputs and processes.

I want to start the debate with some suggestions as to what those goals might be, although I am not yet in a position to articulate what I think the final list should be. I would start with some of the initiatives of the AMA. First, they have raised issues about the life expectancy gap, which is a scandal in Australia. When you compare us with the other comparable countries—Canada, the United States and New Zealand—the life expectancy gap between Indigenous and non-Indigenous Australians is wider than in any of those three countries. In those three countries the gap is narrowing, but in Australia it is getting wider. So that is one place I am determined we should start.

A second very positive initiative taken by the AMA recently is about low birth weight babies. They believe a $20 million campaign would change the life opportunities of Indigenous babies by reducing the number of babies with low birth weight, which has significance for poor health for the rest of their lives. Low birth weight spills over into a number of the issues, such as renal failure, which we see as a blight on the Indigenous community without proper explanation. The AMA suggest that this is related to the low birth weight issue and talk about some positive initiatives that we could take.

A third issue, which the AMA also raised previously, is about Indigenous doctors—and, I might say, other Indigenous health workers as well. They are not of themselves the solution to the problem, but there is no solution without more Indigenous doctors, health workers and dentists.

Clearly we need to focus on the area of education. There are some issues to do with secondary school attendance and achievement at year 10 and year 12 and just opportunities for attendance. Some two years ago, I commented on the decline in Indigenous Australians training as teachers. The number is actually falling—not as a percentage but in absolute numbers. Whatever you think the solution to Indigenous education is, there is no solution without Indigenous teachers. Other issues to consider are housing and the incarceration rate.

That is just a starting point. I want to suggest this: in a partisan way we will argue about inputs and processes, but let us set nationally some goals that we can strive for to say it is not right in Australia in the 21st century that we have a difference in life expectancy that is wide and widening, that we have a crisis of low birth weight babies, and that we have a crisis in access by Indigenous children in remote communities to secondary education. Let us set some goals and argue about how to get there. (Time expired)
Mr SLIPPER (Fisher) (12.56 pm)—I was particularly disappointed to read of a media release issued by the deputy federal Labor leader, the shadow minister for education, the member for Jagajaga, when she wrongly accused the Howard government of increasing HECS fees for students at the well respected University of the Sunshine Coast. She also suggested that there had been a cut in funding for the University of the Sunshine Coast—in the amount of money given to that university—by the Australian government.

If it was not for the Australian government, in fact this Liberal government, we would not have a University of the Sunshine Coast as such and it would not have been able to obtain independent status as the University of the Sunshine Coast and escape from being the Sunshine Coast University College under the auspices of the Queensland University of Technology. I pay tribute in particular to the former minister for education, Dr David Kemp. He was the minister at the time the university was seeking an acceleration of its independent status. The University of the Sunshine Coast always was a freestanding institution able to issue its own degrees, but as the Sunshine Coast University College, operating, as it does, in a competitive tertiary environment, it would not have had the opportunity to grow as it has or to attract as many students as it has.

The honourable member for Fairfax and I, with the then chancellor of the university and the vice-chancellor, Professor Paul Thomas, went to see Dr David Kemp. The recommendation from the department of education was that the federal government ought not to give consent to the independent status of the college, but Dr Kemp was a visionary person who was not a ‘yes, minister’ type; he handed the advice from the department recommending against independence of the University of the Sunshine Coast across to the chancellor and vice-chancellor and said, ‘This is what you have to overcome.’

The chancellor and the vice-chancellor went away, did some work on the proposal and brought forward an amended case. The result was that the then minister for education gave consent to the Sunshine Coast University College becoming an independent institution known as the University of the Sunshine Coast. It had its own access to university funding in the same way other universities have access to funding, and, through Dr Kemp and his successor, the current Minister for Education, Science and Training, Dr Nelson, it has been a substantial beneficiary of this government’s focus on the importance of regional universities.

As a government, we have pledged $23.3 million over the next four years to the University of the Sunshine Coast. This includes an additional 10,080 student places as well as 64 Commonwealth learning scholarships worth up to $24,000 each to be used for expenses such as textbooks and computers. These funding allocations will go a long way to further boost the excellent services and facilities of the University of the Sunshine Coast. It ought to be noted—and I think it is recognised in my local community—that the Australian Labor Party actually voted against all of these important allocations.

The shadow minister for education blamed the government for a massive HECS fee increase. I just want to set the record straight: the decision to raise HECS fees at the University of the Sunshine Coast was made by the university itself and announced last year. It is obvious that the Labor Party is just continuing to seek to deflect attention from its own shortcomings...
by trying to regurgitate an issue dating back almost 10 months. Dr Nelson, the current minister, has visited the university and when the additional places were allocated, the University of the Sunshine Coast obtained a huge proportion of new places given to Queensland.

In the remaining seconds, I would like to congratulate the Sunshine Coast Grammar School, and in particular to wish its 2005 UK cricket tour team every success. There was a letter of good wishes which I was able to obtain from the Prime Minister; there was also one from the Premier and one from the mayor of Maroochy Shire. Yesterday, I handed the booklet from the university setting out details of the team and its program to the Prime Minister, who was particularly impressed. We all know that the Prime Minister is a keen cricket fan. I noticed that he read the publication from cover to cover and was most impressed with the content and production quality. On behalf of the parliament and on my own behalf as the member for Fisher, I would like to wish the Sunshine Coast Grammar School 2005 UK cricket tour team every success. (Time expired)

Chiquita Park

Mr KELVIN THOMSON (Wills) (1.01 pm)—I wish to raise an issue that I believe the Howard government needs to respond to concerning Chiquita Park, which is in the municipal area of Kingston in Melbourne’s south-eastern suburbs. This park was sold by the federal Department of Defence in December 2001. The park had been used by the local community and leased by the local council, Kingston council, for use as a park since 1955. I was born in 1955 so I try to say it is not so long ago, but some people would say that that is a very long time ago. Certainly there is a strong tradition of local use of this area as a park. It sits in an area with one of the lowest open space provisions in Kingston and it has been identified as having significant remnant native vegetation.

At the time the land was sold by the federal defence department, Kingston council passed up the opportunity to buy it. That was unfortunate. At the time, there was a Liberal state MP representing that area and a Liberal dominated local council. The land was purchased by Croft Health Care. My understanding is that they are significant Liberal Party supporters and donors. They on-sold the land seven months later, for a very large profit, to a company called Omni Developments. Local outrage concerning this has been significant. I know that local people have been trying to save as much of that park as possible, but the federal government has given them what appears to me to be a very raw deal in selling this land in the way that it did.

We have the following situation. The government sold the defence department land known as Chiquita Park. The land had been used as far back as 1955. The amount that it was sold for to Croft Health Care was, I understand, $2,226,500. And this company was able to sell the property in July 2002, just seven months later, for $3 million, a profit of over $700,000, to Omni Developments.

There are two issues here. First, what process did the department of finance and the government go through prior to selling the land to consider whether it should have been retained in public hands and made available for ongoing use for people in the community. Secondly, once the government determined that it was going to sell the land, what steps did the department of finance take to ensure that this land was sold to the highest bidder and that taxpayers received full value for the land. The fact that it was able to be sold for an additional $700,000
just seven months later suggests that it was sold for considerably less than it was worth. I believe that these are serious questions for the federal government that it needs to respond to.

**Leader of The Nationals and Deputy Prime Minister**

Dr STONE (Murray—Parliamentary Secretary to the Minister for Finance and Administration (1.04 pm)—I have just come from the House of Representatives chamber, where we are farewelling the Hon. John Anderson as Deputy Prime Minister and Leader of the National Party. Of course he continues as the member for Gwydir. I want to pay my respects to him as a very great man in this place and to put on the record that John has been a great champion of rural and regional people. It is not just in the way that he has helped develop policies, although I should mention those. One of course is the National Water Initiative. Not since the time of Alfred Deakin have we seriously taken into account property ownership rights and access to water—and Alfred Deakin was operating in the 1880s in Victoria. There was a real problem in Australia, with different jurisdictions treating water in different ways, not just through pricing but through its allocation, and there were different ways of understanding the ownership of and access to water. John Anderson has been a champion in trying to develop national consistency not only in understanding the resource and the need to sustain it but also in the treatment of water so that it delivers the highest value and is used most efficiently.

There are also the infrastructure issues. The Roads to Recovery program is probably the most popularly supported system of grants that have come to any part of rural or regional Australia. For the first time, local councils got access to Commonwealth funds directly for roads. The roads could be minor; they could be dirt or gravel roads that had never seen a lick of bitumen in the many, many years—sometimes hundreds—that they had been there. With the Roads to Recovery funding, we have seen significant improvements in access for country communities, not only in taking product to market but also in delivering basic needs such as getting children to schools and enabling small communities to go about their daily business.

AusLink is of course an extraordinary program, one that will usher in a new relationship between the states, the Commonwealth and the private sector, when it comes to addressing not only ageing infrastructure but also the critical business of expanded road, rail, sea and air networks. These networks are essential in maximising the export earnings of our country and in ensuring that the domestic economy can grow and that our social infrastructure can be linked by decent access.

I also want to talk about John Anderson’s contribution as the member for Gwydir, a large rural seat. Representing a rural seat is not like representing a geographically small suburban place, where the issues might be fairly limited in terms of a set of commuters in residences that have a fair homogeneity about them. When you represent a rural region, like many of us do, there is a whole battery of issues which are life and death issues for the populations that live there. They include everything from health and education to issues about ageing, labour shortages and skills shortages. They also include issues about the very identity of people who come from a rural and regional area, when they face the day-to-day onslaught of television, radio and even daily newspapers which have come from a very different perspective—a metropolitan or capital city type perspective.

When you represent a seat that is as demanding as a rural and regional seat, as John Anderson has done, and you also have the enormous job of being Deputy Prime Minister and Leader of the National Party, you deserve to be commended, and we have to commend John

**MAIN COMMITTEE**
Anderson for the extraordinary tasks that he has performed. Of course, it has been difficult for his family—for Julia and their four children. There has been sadness in his family, with the loss of a child during this time. We understand only too well that, while the parliament will lose a leader, Julia and her children will regain a husband and a father in terms of his ability to give them his time—the most precious part of any parenting. I commend the extraordinary contribution of John Anderson, and I wish him well in whatever he does in the future.

Aircraft Noise

Mr MURPHY (Lowe) (1.09 pm)—I wish to raise yet again this week the issue of aircraft noise and Sydney airport. I raised this matter earlier this week in this chamber, as you no doubt will recall, Mr Deputy Speaker Causley, in the consideration in detail debate on the appropriation bills. I note the comments just made by the member for Murray. I, like the member for Murray, was in the chamber a little over an hour ago when the Deputy Prime Minister and Minister for Transport and Regional Services announced his resignation. Part of that decision, we understand, is due to health reasons. I wish Minister Anderson and his family very, very well. It is sad when someone has to leave very important positions such as those which Minister Anderson has held within his party and also within this House. He goes with the good wishes of everyone I know, because he is a good man.

However, I have to keep fighting for my constituents, and Minister Anderson, as the relevant minister, has been the person responsible in relation to Sydney airport and aircraft noise. As you know, Mr Deputy Speaker, I was elected to this House in 1998 on this issue. I have campaigned more on this issue than on any other issue in the time that I have been the member for Lowe and I will continue to do so, notwithstanding the resignation of the Deputy Prime Minister.

Curiously, yesterday in question time the Deputy Prime Minister was asked a dorothy dixer by the member for Barker and he gave what I could only describe as a highly provocative response for someone like me and, of course, the member for Grayndler, Anthony Albanese. I remarked to Anthony Albanese in the chamber very soon after the Deputy Prime Minister had given that response to the House that he must be contemplating his retirement, because it was just so obvious that under the coalition government we were never, ever going to see a full implementation of the long-term operating plan, which would give fair distribution of aircraft noise to the people of Sydney, particularly to those in my electorate and in Grayndler who cop the most noise. ‘White elephant’ was the phrase that the Deputy Prime Minister used in saying that there would never be a second airport. I interjected in the chamber and said that that was nonsense, because quite obviously, if we do not plan for a second airport, the expansion of Sydney airport under the existing master plan—which the government has happily presided over—will result in horrendous consequences for my electorate.

When the minister gave his reply yesterday in the House, it was clearly intended for the ears of the Macquarie Bank board and Mr Max Moore-Wilton and the Southern Cross consortium. In the short time I have, I want to make the point that the minister made a number of false assumptions in his answer to the House yesterday. The policy intent of sections 18 to 22 of the Airports Act simply does not exist, and unless a second airport is built to take the pressure off Sydney airport the long-term operating plan can never, ever be fairly achieved—thus demonstrating the absolute hypocrisy of the Deputy Prime Minister’s repeated statements over the years that Sydney airport’s noise problems have been solved.
When the government gave the first right of refusal for the future owner of a second airport to build Sydney West airport, I asked the minister why the government would do so if a second airport was not necessary in the foreseeable future. Quite honestly, the Deputy Prime Minister could have taken action to repeal sections 18 to 22 of the Airports Act, because a second Sydney airport is never going to come to realisation under a coalition government and that legislation is just giving false hope to the people of Sydney that they will get one. I can assure you that the people of Sydney in my electorate of Lowe will not forget. The public will not forget the facts. Sydney needs a second airport, and the aircraft noise problems need to be solved. (Time expired)

Local Answers Program

Mr FAWCETT (Wakefield) (1.14 pm)—As most of us in this place know, whilst we can be here representing people and talking about large policy issues, it is really the issues that affect people on the ground that people are concerned about. They want us to be able to make a difference in the circumstances that surround their lives. So I am very happy to talk about the Local Answers program—a part of the Stronger Families and Communities Strategy—which aims to help people find answers for their own communities and their own families at the local level. As a result of this program, there are funding rounds now taking place giving communities the opportunity to identify answers to their own problems.

Due to the success of the initiative in the past, there has been a further commitment of $70 million to the expansion of Local Answers. That will bring the total funding up to $137 million over four years. The programs this has helped in the past have included things like parenting and relationship skills programs as well as mentoring and leadership programs. I was very happy last week to be in contact with the Northern Area Community and Youth Services in Davoren Park in the electorate of Wakefield to announce to them the fact that they had been awarded money through this program for their proposed project on family solutions to family conflict. It does not matter what strata of society you come from, family conflict is something that is very damaging. As we look at the divorce rate and the dysfunction that follows, we see the incredibly damaging results of family conflict. So I applaud any scheme that is going to help give families, particularly parents, the skills they need to relate well to each other, to resolve conflict and to parent well.

Just yesterday I spoke in the House on the government’s aims to reform the family law system. Some of those reforms in particular looked at targeting measures that will help support relationships before any breakdown takes place. Some of those will occur at the corporate level and will be implemented by government and large bodies, but just as important are the programs that are run at the community level where they get alongside people and give individual families the skills that they need so that that family, and the extended family and community affected by them, have the skills to keep relationships strong.

I commend Clare Dilliway and her staff working at NACYS, the Northern Area Community and Youth Services, for the work that they have done in providing opportunities for people in the Peachey Belt to come together and find solutions that work for their community. This funding of $118,000 is shared with another group in that area called the Bounce Back Foundation, which looks to reconnect young people into school communities. This is yet another area where the Howard government is providing resources to local communities so that
they can find the answers to strengthen our families for the benefit of all Australians. I commend Clare and her staff at the Northern Area Community and Youth Services for their work.

**Leader of The Nationals and Deputy Prime Minister**

**Holt Electorate: Cranbourne Telephone Rates**

Mr BYRNE (Holt) (1.17 pm)—Before I address the issue of substance I want to talk about today, I want to make note of the resignation of the Deputy Prime Minister, John Anderson, from his position as Deputy Prime Minister and Minister for Transport and Regional Services on the basis of health and family factors. Many of us come to this place and spend substantial periods of time away from our families. In my experience I found the Deputy Prime Minister to be a very good man and a man who tried, on the basis of his values and principles, to make our community a better place. I would certainly have liked to have seen him resign under more propitious and favourable circumstances. I want, from my side of the House, to acknowledge the contribution that he has made and wish him and his family very well in the future.

I rise tonight to talk specifically about STD rates in Cranbourne as a first-order issue. The member for Wakefield has just spoken about politics in the local. Whilst we may feel that a number of the big picture issues that we debate in this place are of critical importance, it is the issues around small things—or supposedly small things—in our local communities that matter. One of the issues that matter for residents in Cranbourne—which is a fantastic community, a rapidly expanding community about 41 kilometres south-east of Melbourne—is that they, as a consequence of their location and an historical anomaly, have to pay STD rates when they call out of Cranbourne to places like Melbourne. Cranbourne is the epicentre of a very rapid growth corridor of Melbourne. If you look at the 2001 census figure, you see that the population of Cranbourne was about 36,273 people. There has been a very substantial population increase of about 49 per cent in about 10 years. A large population of young families live in this area. It has a very high percentage of residents in the 24- to 35-year age group and the zero-to-nine age group.

From a geographical perspective, calls made by people in areas surrounding Cranbourne, like Berwick and Narre Warren South, are charged as untimed local calls; yet calls made by people in Cranbourne, which is a rapidly expanding area that is adjacent to suburbs such as Berwick and Narre Warren South, are charged at the STD rate. This is just crazy. Looking back and working out why Cranbourne was incorporated with areas that pay the STD rate, one can see that it is due to the anomaly of a boundary. These boundaries were created in the 1960s and, it is believed, were used as a basis for Melbourne metropolitan taxi tariffs. So it is a historical anomaly.

But Cranbourne is very much part of the Greater Melbourne suburban area. It is linked by suburban train services and by road to Melbourne Central. In the old days of the 1960s, when these boundaries were established, Cranbourne was a rural country town, but it has very much changed. Cranbourne residents are saying that Telstra should recognise that change has occurred and, as a consequence, no STD tariff rate should apply. In fact, the state government of Victoria recognised this in the Melbourne 2030 strategic plan. As I have said, Cranbourne is one of the five key growth areas of Melbourne, and the Victorian government views it as part of Greater Melbourne.
For a long period, the residents of Cranbourne have felt disadvantaged. They had to lobby for 10 years to get a Medicare office. Their local information and support service is under-funded for the emergency relief that it provides. As a consequence of globalisation, occupations within the community have undergone substantial change. The predominant occupations in Cranbourne are those of tradespeople in the construction industry. They feel that Telstra should recognise the changed nature of their community.

I call upon Telstra to be a good corporate citizen. It would not cost Telstra much to take Cranbourne out of the STD zone and charge calls made there as untimed local calls. It would be good for business, it would be good for families and it would buy corporate goodwill. I know that the minister is being visited by a delegation from the City of Casey, and I would urge her to urge Telstra to be a good corporate citizen: to take this tariff off and give the residents of Cranbourne the equity and fairness they deserve.

Drought

Mr NEVILLE (Hinkler) (1.22 pm)—It is a very emotional day for the National Party and I thank the previous speaker for his very generous remarks. But what is equally emotional I suppose—and John Anderson would know this better than most—is to go through parched countryside that is part of your electorate. Gwydir has been one of the electorates that have suffered very heavily, as has my electorate of Hinkler. In the areas of what is known as the Burnett—Gayndah, Mundubbera, Eidsvold, Monto and Perry—the drought has been very cruel and very demoralising.

Many regional and rural people will be sleeping a little easier after the much needed rain that fell this week, and I certainly want to get back to see how widespread that has been and whether there are any pockets that have missed out. We should also recognise that the problem of drought is not solved with the first downpour of rain; it takes farming communities a long time to recover. It means too that drought assistance needs to continue for a fair while after the actual fall of the rain.

While the outlook was pretty tough, the rain has given some people the heart to face the future. But extending our exceptional circumstances drought assistance for a further 12 months for farmers has also been widely welcomed in my electorate, including in particular those farmers in the Burnett region. Around 3,000 farmers, graziers, horticulturalists and intensive livestock producers in my electorate will benefit from the improved EC arrangements. Farmers in the shires I have mentioned—Gayndah, Mundubbera, Isis, Perry, Eidsvold, Monto and the Maryborough coast’s Kolan—are now busy applying for income support payments and interest subsidies of up to $100,000 for a further 12 months.

It is not just the farmers who will benefit from this arrangement. For every farmer we support, we are also helping local small business with its trading. So, even though more than $7 million in EC assistance has been extended to the Burnett primary producers since the beginning of the drought, the spin-offs from that are worth tens of millions of dollars in our regional community through the multiplier effect. I am most appreciative of the government for what they have done. These landholders need every cent of financial assistance. What rainfall they have received has simply not allowed them to recover from the ongoing drought.

The Australian government’s streamlined approach to assessing EC declared areas for this year’s extension means that eligible farmers within my electorate do not have to wait for any
application to filter through the state government first. That is not said with any political bitterness or nastiness; it is just a streamlining of a most tiresome procedure that will allow money to get to farmers more quickly.

The Minister for Agriculture, Fisheries and Forestry, Warren Truss, also deserves accolades for increasing the EC interest rate subsidy from 50 per cent to 80 per cent on interest payable on new and existing loans. We have doubled the threshold for off-farm assets to $435,000, and from next month onwards farmers will benefit from a $10,000 supplement to the off-farm income test. I for one have long heckled and harassed for this increase of the threshold for off-farm assets. I think $217,000 was unrealistic. That increase means that more farmers will qualify for exceptional circumstances relief payments and those receiving part relief payments will receive a higher benefit. This reinforced commitment to our farmers brings the coalition’s support to more than $2.2 billion, and this could go higher if the drought continues. Hopefully, these rains are the start of a better period, but I do ask the government to be sensitive to the fact that the effects of this drought will be a long time being ameliorated.

China

Mr DANBY (Melbourne Ports) (1.27 pm)—Last night the program Lateline showed excerpts of a press conference of the Chinese defector Chen Yonglin, where—to quote Tony Jones, the compere—grave allegations about a ‘coordinated diplomatic strategy by China to draw Australia away from the US and into the communist nation’s sphere of influence’ were broadcast. At his press conference, Chen Yonglin said:

The Chinese Government consider Australia can be part of a role, like France, can implement a policy to say no to the United States.

The Lateline journalist Michael Edwards said: ‘According to Mr Chen, China views Australia as a country that can be bought off in return for its silence on human rights abuses within China.’ Chen Yonglin, in translation, said:

To utilise economic needs and financial forces to pressure or to force Australian Government to give grounds on the political and human rights sensitive issues.

Michael Edwards said that Chen Yonglin had seen this when Australian officials visited China. Chen Yonglin, in translation, at his press conference said:

They have virtually raised no human rights issue whatsoever and that is why the Chinese Government believes the Australian Government can be bribed ... can be bought.

These are very serious allegations.

Next week in Beijing the ninth part of the China human rights dialogue will take place. I know there are many officials and people in the Australian government who do have an earnest desire to promote human rights in that great country, that great trading partner of ours, but I do feel there is some truth or substance to the allegation that, in making a formalised human rights dialogue, the Australian government seems to have given up its capacity to speak out on these kinds of issues. That does seem a great shame.

We have seen recently in China some great mistreatments of the Catholic Church, in particular, which concern me, and other people have spoken about other religious persecutions that are taking place in China. The New York Times has been reporting that internet activists are being jailed and that blogs have to be registered with the Chinese secret police. I find all of these things particularly regrettable, given that Australia should have a fine economic rela-
tionship with China based on the fact that we have raw materials at the right price that China wants, whether they are liquid natural gas or iron ore. We should not be doing as I have heard some government members suggest—trying to imitate the United States in seeking to financially influence China.

Main Committee adjourned at 1.30 pm, until a date and time to be fixed.
QUESTIONS IN WRITING

Aged Care
(Question No. 404)

Mr Murphy asked the Minister for Health and Ageing, in writing, on 9 December 2004:

(1) Is the Minister aware of the article titled ‘Care Crisis – Bed shortages leave elderly in despair’ in the Village Voice in November 2004 which reported that hundreds of older people in the Canada Bay region are being deprived of care because of a chronic shortage of aged-care places and that a combination of insufficient federal funding, staff shortages and an ageing population has meant many have to wait months and sometimes years for a nursing home bed.

(2) What arrangements exist between the Commonwealth, State and Local governments to address the unmet demand for aged care places in (a) hostels, (b) nursing homes and (c) palliative care units.

(3) What capital funding has the Government provided for aged care places in (a) hostels, and (b) nursing homes in the electoral division of Lowe, and the postcode area (i) 2045, (ii) 2046, (iii) 2047, (iv) 2131, (v) 2132, (vi) 2133, (vii) 2134, (viii) 2135, (ix) 2136, (x) 2137, (xi) 2138, and (xii) 2140.

(4) What operational funding does the Government provide aged care providers operating (a) hostels, and (b) nursing homes in the electoral division of Lowe, and the postcode area (i) 2045, (ii) 2046, (iii) 2047, (iv) 2131, (v) 2132, (vi) 2133, (vii) 2134, (viii) 2135, (ix) 2136, (x) 2137, (xi) 2138, and (xii) 2140.

Ms Julie Bishop—The answer to the honourable member’s question is as follows:

(1) Yes.

(2) (a) and (b) In conducting the annual allocation of new aged care places, the Australian Government uses a comprehensive planning framework to achieve an equitable distribution of aged care places to all Aged Care Planning Regions. The cornerstone of this framework is a provision ratio of 108 operational aged care places for every 1,000 people aged 70 years or over, increased from 100 places in the 2004 Budget. The process for the annual allocation of new aged care places has three distinct levels of decision making.

In level one, the Minister for Ageing allocates the number of new aged care places to be made available in each state and territory for the coming financial year in accordance with Section 12-3 of the Aged Care Act 1997. The allocation is based on the provision ratio, the current allocated ratios and population projections.

The second level of the decision making process provides for the distribution of the available places across each of the states and territories. The distribution of places is based on the advice that state and territory Aged Care Planning Advisory Committees provide to the Secretary of the Department of Health and Ageing. These committees include persons with specific aged care expertise from a broad range of community organisations as well as personnel from local, state and federal governments. In advising the Secretary on how the places should be distributed, the committee identifies individual community needs, and provides advice on the most appropriate proportion of places and care types to be provided in each Aged Care Planning Region.

The third level of decision making incorporates the advertisement, assessment and allocation processes. All of these processes are performed by the department.

(c) The Australian Government is providing significant assistance to meet the needs of people who are dying, and their families.
With respect to palliative care units, the Australian Government has made available a total of $188 million throughout the five years of the Australian Health Care Agreements (2003-2008) to state and territory governments for palliative care. State and territory governments are responsible for the allocation of these funds to ensure access to specialist palliative care in their jurisdiction.

In addition to this funding, the Australian Government also committed $55 million over four years in the 2002 federal Budget for national activities to support improvements in the standard of palliative care offered in local communities. A major focus within this program has been to support the palliative care needs of the community, including residential aged care facilities. This includes a range of education opportunities for staff in residential aged care; support for linkages between residential aged care and specialist palliative care; and funding for palliative care equipment that can be used in the home or the residential aged care setting.

To build on this, the Australian Government has also announced $15 million over the three years 2005-06 to 2008-09 to support improved access to palliative care service. This Local Palliative Care program will provide assistance with equipping premises for palliative patients and provide support to help people to be cared for at home.

(3) (a) and (b) (i) to (xii) and (4) (a) & (b) (i) to (xii) The Department of Health and Ageing plans by Aged Care Planning Region. The Electoral Division of Lowe is within the New South Wales Aged Care Planning Region of the Inner West.

In 2003-04 for the New South Wales Aged Care Planning Region of the Inner West, $172,487,000 in funding was paid under the Aged Care Act 1997. Of this funding, $8,599,000 was paid as concessional resident supplement which is available for the purpose of maintaining and improving capital stock.

A one-off payment of $15,190,000 (included in the $172,487,000) was made to residential aged care homes in June 2004. This payment was in recognition of the forward plan for improved safety and building standards for aged care homes and in particular improved fire safety. The forward plan was developed and agreed with the aged care sector. A further $1,341,330 in 1998-2004 was provided as capital grants in the region.

Regional Counter Terrorist Teams
(Question No. 680)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, in writing, on 7 March 2005:

Can he say whether any countries have agreed to a regional counter terrorist team being based in their country; if so, which countries.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

Yes, countries within South East Asia have agreed to have AFP Counter Terrorism Regional Cooperation Teams work in collaboration with their law enforcement agencies. For the preservation of bilateral relations and the safety of our members, it is inappropriate to comment on operational detail of the deployments, including team numbers and locations.

Welfare to Work Policy
(Question No. 781)

Mr Martin Ferguson asked the Prime Minister, in writing, on 10 March 2005:

(1) What was the nature of the selection or tender process used to appoint Mr Pearson to advise the Government on welfare to work policy.
(2) What was the nature of the consultation between the Government and Mr Pearson leading to this engagement.

(3) Who initiated the contract and who was involved in consultations relating to his engagement.

(4) In respect of Mr Pearson’s consultancy, (a) what is its duration, (b) from which location will he work, and (c) is there a statement of the duties he is to carry out; if so, (i) what is it, (ii) when was it agreed, and (iii) what is the contracted cost of office accommodation and secretarial support for the duration of the contract.

(5) What are the terms of, and conditions of payment for, Mr Pearson’s consultancy (including super-annuation payments, travel entitlements, salary and whether he will be paid in the form of salary or whether fees will be paid to a company structure).

Mr Howard—The answer to the honourable member’s question is as follows:

(1) Mr Pearson was engaged directly through Griffith University, in recognition of his pre-eminent expertise and extensive experience in developing innovative solutions to over-reliance on welfare.

(2) Discussions about the project occurred between Mr Pearson and officials of the Department of the Prime Minister and Cabinet.

(3) The Department of the Prime Minister and Cabinet initiated the contract. Consultations related to Mr Pearson’s engagement occurred with Griffith University, the Department of Education, Science and Training and the Australian Government Solicitor.

(4) (a) The contract specifies that the work will be completed before 30 June 2005, unless otherwise agreed in writing. (b) The contract does not specify where Mr Pearson must work. (c) Yes. (i) To provide advice to government on a range of issues relating to welfare reform for Australian people of working age. This advice was to be informed by Mr Pearson’s experience in addressing disadvantage and increasing workforce participation in indigenous communities, but was to focus on issues faced by the wider Australian population. (ii) In-principle agreement to the terms of the contract was reached on 22 February 2005. The contract was signed by Griffith University on 29 April 2005. (iii) The contract specifies that the Commonwealth shall provide office accommodation at Commonwealth premises for the Contractor when the Contractor is asked to work in Canberra. This has not been necessary to date. No secretarial support is provided under the terms of the contract.

(5) Total fees payable to Griffith University are capped at $30,000.00 (including GST) unless otherwise agreed in writing. In addition, where travel is approved, the costs of domestic air travel by Mr Pearson are payable at business class rates and at economy class rates for other specified personnel. A travel allowance equivalent to the amounts that would have been paid to an SES officer of the Department is also payable.

Depleted Uranium

(Question No. 962)

Mr Fitzgibbon asked the Minister for Health and Ageing, in writing, on 10 May 2005:

(1) What provision is made for the protection of public health and safety in Australia in the event of the dispersal of depleted uranium as the result of an aircraft crash or other event.

(2) What are the likely consequences for individual health in the event of ingestion of depleted uranium.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) Any incident involving the dispersal of depleted uranium from an aircraft crash or other event would be responded to under the state or territory disaster plan in the jurisdiction where the incident occurred.
(2) The use of depleted uranium in solid metallic form is common as either shielding or ballast. In this form, depleted uranium poses very little risk to human health and, as such, is exempt from licensing requirements under radiation protection legislation in Australia.

**Eritrea**

(Question No. 1245)

Ms Roxon asked the Minister for Foreign Affairs, in writing, on 10 May 2005:

1. What was the value of Australian aid provided to Eritrea in each financial year since 1990-1991.
2. What is the expected value of Australian aid to be provided to Eritrea in 2004-2005.
3. What was the nature and purpose of Australian aid to Eritrea in (a) 2003-2004 and (b) 2004-2005.
4. What are the details of each project in Eritrea that has received Australian aid in 2003-2004 and 2004-2005, in particular, (i) which projects have received Australian aid, (ii) who received the financial aid, (iii) who administers the project, (iv) what is the aim or purpose of the project, and (v) what is the current status of the project.
5. Is the Government considering further aid projects in Eritrea: if so, what are the details.

Mr Downer—the answer to the honourable member’s question is as follows:

1. The value of Australian aid provided to Eritrea in each financial year since 1990-1991 was:
   - 1990-91 $3,124,135
   - 1991-92 $1,491,171
   - 1992-93 $865,433
   - 1993-94 $6,191,417
   - 1994-95 $6,622,945
   - 1995-96 $3,872,117
   - 1996-97 $1,992,595
   - 1997-98 $1,010,791
   - 1998-99 $202,009
   - 1999-00 $1,079,570
   - 2000-01 $14,000
   - 2001-02 $173,000
   - 2002-03 $2,769,000
   - 2003-04 $1,213,000

2. The expected value of Australian aid to be provided to Eritrea in 2004-2005 is $40,000.

3. The nature and purpose of Australian aid to Eritrea in (a) 2003-2004 and (b) 2004-2005 was:
   (a) Emergency food assistance for drought and war affected people; capacity and institutional building for cataract blindness prevention and eye care services; Australian volunteers to build the capacity of local staff in a non-government organization and a government Ministry.
   (b) Capacity and institutional building for cataract blindness prevention and eye care services.

4. The details of each project in Eritrea that has received Australian aid in 2003-2004 and 2004-2005 are in the table below, including (i) which projects received Australian aid, (ii) who received the financial aid, (iii) who administers the project, (iv) the aim or purpose of the project, and (v) the current status of the project.
(i) (ii) (iii) (iv) (v)

Food assistance to war and drought affected people

| World Food Programme | World Food Programme | To provide relief food aid to improve household food security and the nutritional status of the most vulnerable food insecure groups particularly children. | Completed |

Cataract Blindness Prevention Program

| Fred Hollows Foundation | Fred Hollows Foundation | To contribute to the strengthening of quality eye care services and institutions by transfer of skills, technology and equipment to the services and to improve access by the poor and vulnerable with a particular focus on the disadvantaged cataract blind. | Ongoing |

National Union of Eritrean Youth and Students (NUEYS)

| Australian Volunteers International | Australian Volunteers International | Placement of an Australian volunteer within NUEYS to build capacity of local staff in the organization of NUEYS. | Completed |

Ministry of Transport and Communication

| Australian Volunteers International | Australian Volunteers International | Placement of an Australian volunteer within the Ministry to build the capacity of staff in the administration of communications services. | Completed |

(5) In relation to whether the Government is considering further aid projects in Eritrea:

AusAID is not planning further projects at this stage and will continue to monitor the situation.

Government Deposits

(Question No. 1247)

Mr Tanner asked the Treasurer, in writing, on 11 May 2005:

(1) When did the Government decide to retain a minimum level of Government borrowing in order to ensure the continued existence of the bond market and when did this decision take effect.


(3) On average, what was the value of Government funds on deposit at the Reserve Bank in (a) 2000-2001, (b) 2001-2002, (c) 2002-2003, and (d) 2003-2004 and can he say why these sums are a great deal larger than the equivalent sums on deposit during the 1990s.


Mr Costello—The answer to the honourable member’s question is as follows:

(1) The Government’s decision to maintain sufficient Commonwealth Government Securities (CGS) on issue to support the Treasury bond futures market was announced on 13 May 2003 in Budget Paper No.1, Statement 7: Budget Funding. The decision was applied commencing with the Treasury bond issuance program for 2003-04.

(2) to (4) The notes to (and forming part of) the accounts reported by the Australian Office of Financial Management (AOFM) in its Annual Report each year provide year-end balances for outstanding debt and investments that it manages, along with the weighted average coupons payable. Specifi-
The relevant note is Administered Financial Instruments, Part (d): Interest Rate Risk. The following table lists the relevant note for each year’s report.

<table>
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<tr>
<th>Year</th>
<th>Note</th>
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<tr>
<td>2000/01</td>
<td>22 (d)</td>
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<tr>
<td>2001/02</td>
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<tr>
<td>2002/03</td>
<td>22 (d)</td>
</tr>
<tr>
<td>2003/04</td>
<td>23 (d)</td>
</tr>
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</table>

The AOFM reports this data on an “as at year-end” basis. The tables relate to debt and assets on the AOFM’s balance sheet and not those on the balance sheet of any other government agency.

The “investments” item in the tables listed above shows term deposits with the Reserve Bank of Australia held on the AOFM’s balance sheet. The volume of these assets has grown since the 1990s due to budget surpluses and proceeds from asset sales, which together exceeded the reduction in gross debt on issue.

The term deposits with the RBA are used as an instrument to meet short term within-year financing requirements. In addition the trend volume of term deposits represents an ongoing offset to CGS debt and is matched against a corresponding volume of Treasury bonds in the AOFM’s Debt Hedge Book. The return and costs on these assets and liabilities are closely matched through interest rate swaps.

Further information on historic cost yields on the AOFM’s debt and investment activities is provided in the AOFM’s Annual Report for 2003-04 (pages 29-30). This was the first time such data has been published.

**Global Oil Production**

*(Question No. 1248)*

Mr Tanner asked the Treasurer, in writing, on 11 May 2005:

1. Does the Australian Government have an estimate of when global oil production is likely to peak; if so, in what year does the Government expect this will occur.
2. Does the Government have an estimate of the likely rate of annual decline in production after global oil production passes its peak; if so, what are the details.
3. Does the Government have estimates of the impact on global oil prices of a continuing decline in global oil production; if so, what are they.
4. Has the Government undertaken any economic modelling to determine the consequences for the Australian economy of very large and sustained increases in global oil prices; if so, what are the outcomes of that modelling.

Mr Costello—The answer to the honourable member’s question is as follows:

1. The Department of the Treasury does not generate estimates of whether global oil production will peak, or when, and at what level, such a peak is likely. Such work may have been undertaken by other Australian Government departments or organisations.
2. The Department of the Treasury does not generate estimates of oil production. Other Australian Government departments or organisations may generate oil production estimates.
3. The Department of the Treasury does not generate estimates of the impact of oil production on oil prices. Other Australian Government departments or organisations may generate price projections.
4. The Government’s budget forecasts incorporate the expected impact of oil prices on the Australian economy. The impact of the recent sustained increase in oil prices has been incorporated into the economic outlook contained in the 2005-06 Budget.
North Korea
(Question No. 1340)

Mr Rudd asked the Minister for Foreign Affairs, in writing, on 12 May 2005:

(1) What is his department’s assessment of the recent statement by Admiral Lowell Jacoby, Director of the Defense Intelligence Agency, that North Korea has the capability to arm a missile with a nuclear weapon.

(2) What is the department’s assessment of North Korea’s relationship with Iran with respect to nuclear technology.

(3) What is the department’s assessment of the strategic impact of a successful North Korean nuclear test on countries in the region, such as South Korea and Japan.

Mr Downer—The answer to the honourable member’s question is as follows:

(1) The department’s views on the matters raised in the question are based on a range of sources, underpinned notably by classified intelligence. The department is, therefore, not in a position to provide a substantive response.

(2) See answer to (1).

(3) The department is aware of recent speculation that North Korea may be preparing to test a nuclear weapon. A North Korean nuclear test would be a grave development that would seriously escalate the nuclear crisis and deepen North Korea’s isolation. Australia stands firm with the international community in pursuing the complete denuclearisation of the Korean peninsula, and in steadfastly opposing a North Korean nuclear test. Should North Korea undertake a nuclear test, Australia would respond firmly.

Smart Traveller Campaign
(Question No. 1346)

Mr Rudd asked the Minister for Foreign Affairs, in writing, on 12 May 2005:

(1) What sum has been spent on the “Smart Traveller” campaign to date and will he provide a detailed breakdown of this expenditure.

(2) How many “displays” of the campaign are there and where are they located.

(3) Who designed the (a) campaign material and (b) “displays”.

(4) Did his office have any input into the design and content of (a) campaign material and (b) the “displays”; if so, what was the substance of this input.

(5) Did his (a) department and (b) office recommend that the (i) campaign material and (ii) the “displays” feature a picture of him.

Mr Downer—The answer to the honourable member’s question is as follows:

(1) The total sum spent on the smartraveller campaign to date is $6,661,441.

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<thead>
<tr>
<th>Activity</th>
<th>2003/2004</th>
<th>2004/2005 YTD (20/05/05)</th>
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<td>Research</td>
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<td>Advertising Tender Process</td>
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<td>Advertising agency fees and production</td>
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<td>Travel Industry Partnerships and Promotions</td>
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<tr>
<td>Consular Touch Screen Kiosks</td>
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<th></th>
<th>2003/2004</th>
<th>2004/2005</th>
<th>YTD (20/05/05)</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Travel Advice electronic delivery systems (smart traveller phone service)</td>
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<td>86,105</td>
<td>308,605</td>
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<tr>
<td>TOTAL</td>
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<td>$1,926,509</td>
<td>$6,661,441</td>
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</tr>
</tbody>
</table>

(2) “Displays” is taken to refer to the smartraveller kiosks. There are ten smartraveller kiosks around Australia – two at each of the Sydney, Brisbane and Melbourne International Airports and one at each of the Adelaide and Darwin International Airports and Sydney and Canberra Passport Offices.

(3) (a) Creative design agency Killey Withy Punshon (KWP) was selected by the Ministerial Committee on Government Communications to design all the smartraveller campaign materials.
(b) The smartraveller kiosks are rented from Abuzz Technologies.

(4) (a) No.
(b) No.

(5) (a) (i) No. (ii) No.
(b) (i) No. (ii) No.

Goods and Services Tax
(Question No. 1400)

Mr Kelvin Thomson asked the Treasurer, in writing, on 23 May 2005:

(1) Is he aware of the application of the GST on the State Fire Levy on insurance premiums.
(2) What sum is collected as a result of charging the GST on the State Fire Levy on insurance premiums.
(3) Does charging the GST on the State Fire Levy on insurance premiums constitute taxing a tax.
(4) Does he intend to take any action concerning the GST on the State Fire Levy on insurance premiums.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) GST does not apply to the State fire levy paid by insurers to the relevant revenue collection authority. The State fire levy is listed in the determination relating to Division 81 of the GST Act that lists taxes, fees and charges that are not subject to GST. However, where the cost of the State fire levy is incorporated into the final price of the insurance premium charged by the insurer, GST is payable on the total price charged.
(2) GST does not apply to the State fire levy.
(3) GST does not apply to the State fire levy.
(4) GST does not apply to the State fire levy.

Australia Council
(Question No. 1417)

Mr Bowen asked the Minister representing the Minister for the Arts and Sport, in writing, on 24 May 2005:

(1) In respect of the announcement of ‘A new Australia Council’, what (a) efficiencies and (b) increased costs are expected to result from the new structure of the Australia Council.
(2) Were any consultants engaged on the development of the new management and organisational structure; if so (a) what are their names and postal addresses and (b) what sum was paid to each.

(3) What other costs are associated with the process of developing a new Australia Council.

(4) What sum will the Key Organisations section receive for administration in (a) 2005-2006, (b) 2006-2007 and (c) 2007-2008.

(5) What sum has been allocated to the Australia Council to provide to the 145 organisations that it funds on a triennial basis in (a) 2005-2006, (b) 2006-2007 and (c) 2007-2008.

Mr McGauran—The Minister for the Arts and Sport has provided the following answer to the honourable member’s question:

(1) (a) The Future Planning Review was not conducted by the Australia Council for the purpose of reducing costs. As a result no such efficiency savings are expected to result directly from the implementation of the recommendations from the Review.

(b) The restructure will not result in an increased call by the Australia Council on funding from Government. From within existing revenue levels additional expenditure of $200,000 or 1.5% of administrative costs will be made in the area of salaries in 2005-06. This net projected increase results from the establishment of two new teams – Key Organisations and Community Partnerships – the costs of which are not fully offset by staffing changes and workload changes made in other areas in the restructure.

Finalisation of the organisational structure and resulting staffing costs is dependent on the outcomes of scoping studies in the Community Cultural Development and New Media Arts sectors.

(2) (a) and (b) The Australia Council has provided details of the consultants engaged on the development of the new management and organisational structure. See the table provided below. Note that it is the Australia Council’s policy not to release, for the public record, a consultant’s address where that address is a private dwelling.

<table>
<thead>
<tr>
<th>Consultant’s Name</th>
<th>Consultant’s Address</th>
<th>Payments Made As At 1 June 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duncan Peppercorn</td>
<td></td>
<td>$148,000</td>
</tr>
<tr>
<td>JML Australia Pty Ltd</td>
<td>PO Box 4804 SYDNEY NSW 2001</td>
<td>$110,000</td>
</tr>
<tr>
<td>Valerie Mallet</td>
<td></td>
<td>$36,000</td>
</tr>
<tr>
<td>Linda R Scott &amp; Associates</td>
<td>Suite 316 91 Longueville Road LANE COVE NSW 2066</td>
<td>$32,000</td>
</tr>
<tr>
<td>Maniaty Media Pty Ltd</td>
<td>-</td>
<td>$33,000</td>
</tr>
<tr>
<td>Davidson Wilson – Solutions</td>
<td>GPO Box 1391 CIVIC ACT 2601</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

(3) At its April meeting the Council approved an implementation budget of $1.008 million for the Future Planning implementation budget, comprising estimated redundancy costs ($382,000), transitional costs ($351,000) and other implementation costs ($275,000). The implementation budget was in addition to the costs associated with the development of the Future Planning Review of approximately $170,000.
The cost of consultancies identified in Part 2 above are included in the development and implementation budgets. Other components of the project implementation budget include staff redundancy and related costs, transitional staffing costs, legal advice, recruitment costs, office fit-out changes and removals assistance.

(4) (a) to (c) The Australia Council sets its budget on an annual basis. The Council will do this in respect of 2005-2006 at its meeting on 22 June 2005. Similarly, information for 2006-2007 and 2007-2008 cannot be provided at this stage.

(5) (a) to (c) The Australia Council sets its budget on an annual basis. The Council will do this in respect of 2005-2006 at its meeting on 22 June 2005. Similarly, information for 2006-2007 and 2007-2008 cannot be provided at this stage.

Please note that, excluding the 29 major performing arts companies, the Australia Council is currently funding 143 other key organisations on a triennial basis.

Inflation
(Question No. 1486)

Mr Murphy asked the Treasurer, in writing, on 25 May 2005:

Further to the answer to question No. 729 (Hansard, 10 May 2005, page 234), will the combination of substantially increased Commonwealth grants to independent schools and rapidly rising fees at independent schools have a negative impact on the Government’s efforts to contain inflation; if so, what will he do to address this problem; if not, will he explain why not.

Mr Costello—The answer to the honourable member’s question is as follows:

No. Preschool, primary and secondary education collectively comprise around 1.44 per cent of the CPI basket. Through the year to the March quarter 2005, preschool, primary and secondary education prices made a negligible contribution to inflation.

Flagpoles for Schools
(Question No. 1513)

Ms Annette Ellis asked the Minister for Education, Science and Training, in writing, on 26 May 2005:

(1) In respect of the programme for ‘Funding Contribution for a Flagpole for Schools’, how many applications for funding for a flagpole have been (a) received from, and (b) approved for schools in the electoral division of Canberra.

(2) In respect of each school in the electoral division of Canberra which applied for funding, what sum did it (a) apply for, and (b) receive.

(3) Have any applications in the electoral division of Canberra been refused; if so, which schools were refused funding and why.

(4) Have any schools which received funds in the electoral division of Canberra held official flag raising ceremonies; if so, in respect of each school (a) when was the ceremony, (b) which Liberal Party and National Party Members of Parliament attended, and (c) which Liberal Party and National Party Members of Parliament were represented by an attending member of their staff.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) (a) and (b) Nine (9) schools in the electorate of Canberra have applied for funding under the Flagpole Funding Initiative and nine (9) schools have been approved.

(2) (a) and (b) Payments to schools under the Flagpole Funding Initiative are made on a reimbursement basis. Schools receive all GST exclusive costs associated with the purchase and installation of a flagpole up to a maximum of $1500. To date only one school has invoiced the Department for re-
imbursement of its flagpole. Canberra Montessori School applied for, and was reimbursed, $1,377.27.

(3) No schools have been refused.

(4) Two schools have had flag raising ceremonies. (a) Canberra Montessori School held its flag raising ceremony on 16 March 2005 and Galilee School held its flag raising ceremony on 7 June 2005. (b) Senator Gary Humphries attended both of these ceremonies. (c) No Liberal Party or National Party Members of Parliament were represented by an attending member of their staff.