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

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FORTY-FIRST PARLIAMENT
FIRST SESSION—FOURTH 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 Henry 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 Kim 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. Mark Anthony James Vaile MP
Deputy Leader—The Hon. Warren Errol Truss MP
Chief Whip—Mr John Alexander Forrest MP
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 David 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>Turnbull, Malcolm Bligh</td>
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<td>Vale, Hon. Mark Anthony James</td>
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<td>Wakelin, Barry Hugh</td>
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<td>Washer, Malcolm James</td>
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<td>Wilkie, Kim William</td>
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<td>Wood, Jason Peter</td>
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### PARTY ABBREVIATIONS

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

### Heads of Parliamentary Departments

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

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

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

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<td>Senator the Hon. Christopher Martin Ellison</td>
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<tr>
<td>Minister for Fisheries, Forestry and Conservation</td>
<td>Senator the Hon. Ian Douglas Macdonald</td>
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<td>Minister for the Arts and Sport</td>
<td>Senator the Hon. Charles Roderick Kemp</td>
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<td>Minister for Human Services</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
<td>Liberal</td>
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<td>Minister for Citizenship and Multicultural Affairs</td>
<td>The Hon. John Kenneth Cobb MP</td>
<td>Liberal</td>
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<td>Minister for Revenue and Assistant Treasurer Special Minister of State</td>
<td>The Hon. Malcolm Thomas Brough MP</td>
<td>Liberal</td>
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<td>Minister for Vocational and Technical Education and Minister Assisting the Prime Minister</td>
<td>Senator the Hon. Eric Abetz</td>
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<td>Minister for Ageing</td>
<td>The Hon. Gary Douglas Hardgrave MP</td>
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<td>Minister for Small Business and Tourism</td>
<td>The Hon. Julie Isabel Bishop MP</td>
<td>Liberal</td>
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<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. Frances Esther Bailey MP</td>
<td>Liberal</td>
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<td>Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence</td>
<td>The Hon. James Eric Lloyd MP</td>
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<td>Minister for Workforce Participation</td>
<td>The Hon. De-Anne Margaret Kelly MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
<td>The Hon. Peter Craig Dutton MP</td>
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<td>Parliamentary Secretary to the Minister for Industry, Tourism and Resources</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
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<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
<td>The Hon. Warren George Entsch MP</td>
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<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Christopher Maurice Pyne MP</td>
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<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Teresa Gambaro MP</td>
<td>Liberal</td>
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<tr>
<td>Parliamentary Secretary (Trade)</td>
<td>Senator the Hon. John Alexander Lindsay Macdonald</td>
<td>Liberal</td>
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<tr>
<td>Parliamentary Secretary (Foreign Affairs) and Parliamentary Secretary to the Minister for Immigration and Multicultural and Indigenous Affairs</td>
<td>The Hon. Bruce Fredrick Billson MP</td>
<td>Liberal</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Gary Roy Nairn MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Christopher John Pearce MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary to the Minister for the Environment and Heritage</td>
<td>The Hon. Gregory Andrew Hunt MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary (Children and Youth Affairs)</td>
<td>The Hon. Sussan Penelope Ley MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
<td>Liberal</td>
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<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
<td>Liberal</td>
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<tr>
<td>Leader of the Opposition</td>
<td>The Hon. Kim Christian Beazley MP</td>
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<td>Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research</td>
<td>Jennifer Louise Macklin MP</td>
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<tr>
<td>Leader of the Opposition in the Senate, Shadow Minister for Indigenous Affairs and Shadow Minister for Family and Community Services</td>
<td>Senator Christopher Vaughan Evans</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology</td>
<td>Senator Stephen Michael Conroy</td>
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<td>Shadow Minister for Health and Manager of Opposition Business in the House</td>
<td>Julia Eileen Gillard MP</td>
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<td>Shadow Treasurer</td>
<td>Wayne Maxwell Swan MP</td>
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<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
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<td>Shadow Minister for Industry, Infrastructure and Industrial Relations</td>
<td>Stephen Francis Smith MP</td>
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<td>Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security</td>
<td>Kevin Michael Rudd MP</td>
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<td>Shadow Minister for Defence</td>
<td>Robert Bruce McClelland MP</td>
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<td>Shadow Minister for Regional Development</td>
<td>The Hon. Simon Findlay Crean MP</td>
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<td>Shadow Minister for Primary Industries, Resources, Forestry and Tourism</td>
<td>Martin John Ferguson MP</td>
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<td>Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House</td>
<td>Anthony Norman Albanese MP</td>
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<td>Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories</td>
<td>Senator Kim John Carr</td>
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<td>Shadow Minister for Public Accountability and Shadow Minister for Human Services</td>
<td>Kelvin John Thomson MP</td>
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<td>Shadow Minister for Finance</td>
<td>Lindsay James Tanner MP</td>
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<tr>
<td>Shadow Minister for Superannuation and Intergenerational Finance and Shadow Minister for Banking and Financial Services</td>
<td>Senator the Hon. Nicholas John Sherry</td>
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<tr>
<td>Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women</td>
<td>Tanya Joan Plibersek MP</td>
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<tr>
<td>Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility</td>
<td>Senator Penelope Ying Yin Wong</td>
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(The above are shadow cabinet ministers)
SHADOW MINISTRY—continued

Shadow Minister for Consumer Affairs and Laurie Donald Thomas Ferguson MP
Shadow Minister for Population Health and Health Regulation
Shadow Minister for Agriculture and Fisheries Gavan Michael O'Connor MP
Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition Joel Andrew Fitzgibbon MP
Shadow Minister for Transport Senator Kerry Williams Kelso O'Brien
Shadow Minister for Sport and Recreation Senator Kate Alexandra Lundy
Shadow Minister for Homeland Security and The Hon. Archibald Ronald Bevis MP
Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State Alan Peter Griffin MP
Shadow Minister for Defence Industry, Procurement and Personnel Senator Thomas Mark Bishop
Shadow Minister for Immigration Anthony Stephen Burke MP
Shadow Minister for Aged Care, Disabilities and Carers Senator Jan Elizabeth McLucas
Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate Senator Joseph William Ludwig
Shadow Minister for Overseas Aid and Pacific Island Affairs Robert Charles Grant Sercombe MP
Shadow Parliamentary Secretary for Reconciliation and the Arts Peter Robert Garrett MP
Shadow Parliamentary Secretary to the Leader of the Opposition John Paul Murphy MP
Shadow Parliamentary Secretary for Defence and Veterans’ Affairs 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 Industry, Infrastructure and Industrial Relations Bernard Fernando Ripoll MP
Shadow Parliamentary Secretary for Immigration Ann Kathleen Corcoran MP
Shadow Parliamentary Secretary for Treasury Catherine Fiona King MP
Shadow Parliamentary Secretary for Science and Water Senator Ursula Mary Stephens
Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs The Hon. Warren Edward Snowdon MP
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The SPEAKER (Hon. David Hawker) took the chair at 2.00 pm and read prayers.

QUESTIONS WITHOUT NOTICE

Mr Oday Adnan al-Tekriti

Mr BURKE (2.00 pm)—My question is to the Minister for Citizenship and Multicultural Affairs representing the Minister for Immigration and Multicultural and Indigenous Affairs. I refer to the case of Mr al-Tekriti. Was there ministerial intervention in the decision of the department not to continue the appeal against the AAT? Who granted Mr al-Tekriti’s TPV? Why did the minister choose not to cancel the visa under section 501? Given the Prime Minister’s comments yesterday on the decisive role played by the AAT, just who is it who decides who comes into this country and the circumstances under which they come? We were told it was the Prime Minister.

Mr JOHN COBB—As has been made perfectly plain, there is a very distinct lawful process under which Mr al-Tekriti and others have been dealt with. It is very obvious that once the AAT made a decision that Mr al-Tekriti had to be dealt with under due process, that was done. The member for Watson needs to look at it and realise that we are dealing with a migration process that was done totally lawfully and with total due process.

Trade

Mr SECKER (2.03 pm)—My question is addressed the Deputy Prime Minister and Minister for Trade. Would the Deputy Prime Minister update the House on Australia’s international trade in goods and services for the month of October? What action has the government taken to ensure this record export performance continues?

Mr VAILE—I thank the member for Barker for his question. Members may be aware that this morning the Australian Bureau of Statistics released the figures for October, which indicated that on a seasonally adjusted basis Australia’s exports rose by two per cent and imports rose by one per cent. The one per cent rise in imports was substantially in capital goods—in other words, business investing for the future. This is a great result, and in the month of October Australia’s exports reached a level of $15 billion for the month. That is the second highest level on record for any month, particularly the month of October.

Driving growth in October was an increase in non-rural and other goods, including manufactured exports, which rose by $330 million to $9.9 billion. Rural goods exports also rose in October—by $20 million to a monthly output figure of $2 billion. The strong export growth led to the trade deficit contracting in October to $1.3 billion. Exports are now on track to reach a record value in the calendar year 2005, with exports for the 10 months to October having risen 13.9 per cent higher than for the same period in the previous year.

The economic prosperity Australians have enjoyed over the last 9½ years has been underpinned by a number of things, but particularly the export growth that has taken place in Australia, the value that those exports bring into Australia and the jobs that they sustain in the Australian economy. The Australian government has worked to encourage and support this unprecedented export success in a whole range of ways. Our economic management in Australia has provided a strong foundation for these businesses and exporters. Our preparedness to pursue reforms that improve their competitiveness and productivity has helped improve their circumstances in competing with the rest of the world.
At the same time, we need to continue to work hard to open up markets across the world and remove unnecessary barriers to trade across the world. That is exactly what we are doing in our very dogged pursuit of a better set of circumstances in the multilateral system. Next week we will be taking a delegation to Hong Kong to the next ministerial meeting of the WTO—the Doha Round of global trade negotiations—where we are seeking improvements in agricultural market access, non-agricultural market access and improved circumstances for services.

I met last weekend in Geneva with a small group of key players attempting to break the deadlock and push the agricultural negotiations further forward in preparation for the meeting in Hong Kong next week. The discussions have been tough but we have maintained a great deal of focus on ensuring that the major agricultural subsidisers deliver more in this round in terms of market access. That will in turn lead to greater market access for industrial goods and greater market access for services exporters. Our government’s trade policy is about job creation. Supporting Australia’s exporters is about job creation, and Australia’s exporters have played their part in increasing the number of jobs available in the Australian economy in recent years. We will continue to work with the job creators in our economy to ensure that they are efficient and competitive and that they have the best opportunities in the markets of the world.

Oil for Food Program

Mr Rudd (2.07 pm)—My question is also to the Minister for Trade. Minister, when were Australian officials first informed of concerns about the Australian Wheat Board’s commercial arrangements with Iraq, arrangements which resulted in $300 million being paid into Saddam Hussein’s slush fund? Can the minister confirm that officials from his department or Austrade accompanied AWB officials on various missions from Jordan to Iraq while the AWB was dealing with Saddam Hussein’s regime under the oil for food program between 1999 and 2003—and the Prime Minister says yes. Minister, will the government now give the Cole inquiry powers to investigate the actions of the government, not just the Wheat Board, given that what the Australian people want is a proper commission of inquiry, not just a cover-up?

Mr Vail—I answer the member’s question in this way: the allegations with regard to Alia surfaced as a result of the Volcker inquiry—and he is well aware of that. Concerns have been raised on a number of occasions. They were immediately referred to the organisation running the program, and that was the United Nations. There were concerns raised by commercial competitors and they were referred to the UN, and the UN continued the operation of the oil for food program. The member would also be aware that the question of Jordanian transport operations was raised earlier in the program—not Alia. Alia arose—and he is well aware of this—as a result of the Volcker inquiry. The government has announced that there will be a commission of inquiry and that is about to begin, in accordance with—

The Speaker—The member for Griffith on a point of order?

Mr Rudd—Yes, Mr Speaker, on relevance. The question was whether the minister could confirm Australian officials were travelling from Jordan to Iraq, accompanying AWB officials.

The Speaker—The member asked a fairly lengthy question and I believe that the minister is in order.

Mr Vail—In conclusion, the government has announced and established a commission of inquiry with significant powers as
far as this issue is concerned, and that is about to begin. We should leave it to that commission of inquiry to seek out the information and the evidence in accordance with the suggestions that have been made—

The SPEAKER—The member for Griffith on a point of order?

Mr Rudd—Yes, thank you, Mr Speaker. The answer about the commission of inquiry is irrelevant to the question because it has no powers to investigate government actions or knowledge, hence my question.

The SPEAKER—The member for Griffith will resume his seat. Has the minister completed his answer?

Mr VAILE—Yes, Mr Speaker.

DISTINGUISHED VISITORS

The SPEAKER (2.11 pm)—I inform the House that we have present in the gallery this afternoon the Iraqi Minister for Displacement and Migration. On behalf of the House I extend to her a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Future Fund

Mr RICHARDSON (2.12 pm)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the reasons for the government establishing the Future Fund? How will it help deal with the ageing population while protecting future taxpayers? How does it compare with international best practice?

Mr COSTELLO—I thank the honourable member for Kingston for his question. I can inform him that tomorrow the government will be introducing legislation to establish one of the most far-sighted vehicles to set Australia up for future opportunities that has ever been put together—the Future Fund, which is designed to fund Australia to meet the costs of the ageing of the population.

When this government was elected in 1996, Commonwealth net debt was $96 billion. By 30 June in this financial year we are forecasting that, after 10 years of coalition government, we will have reduced Commonwealth net debt by $90 billion—a $90 billion payback of Labor’s $96 billion of debt. This gives Australia the opportunity to now build an asset position which will be used to fund future liabilities and, in particular, unfunded superannuation liabilities. The Commonwealth’s unfunded superannuation liabilities at the moment are $90 billion. They are expected to grow by 2020 to $140 billion. With the establishment of the Future Fund, an investment which the Commonwealth can now engage in, we now have the opportunity to make financial provision for future generations. It is the plan of the Australian government to fund those liabilities by 2020. We will be beginning with seed capital into the Future Fund, which will be appropriated under the bill to be introduced tomorrow, of $18 billion; $18 billion will be put into the Future Fund to put that fund together for unfunded superannuation liabilities.

It is important that we lock this fund away from future governments. The first politician out of the blocks promising to raid the Future Fund for his unfunded, expensive promises was none other than the Leader of the Opposition, who was recently reported in the Northern Star as saying that he intended to improve the Pacific Highway on the Northern Rivers and ‘plans to commandeer Treasurer Peter Costello’s Future Fund’. He is like a bear with his paws in honey—already caught raiding the honey pot. For him, the Future Fund is just money for honey. This bear that has his paws in the honey pot is already dreaming of spending money which he never had the wit to set aside and which is being used to set Australia up for future generations. This government has relieved future generations of Labor debt, and we will build
opportunities for them with the Australian Future Fund.

Mr Robert Gerard

Mr SWAN (2.16 pm)—My question is to the Treasurer. I refer the Treasurer to his statement in this place yesterday in relation to when he first knew about Mr Gerard’s problem with the tax office:

... the matters ... were not brought to the government’s attention until they were published in the Australian Financial Review ... the government had no knowledge of those matters from any source at all ...

Is the Treasurer aware that today’s Financial Review reports that a cabinet minister was aware of Mr Gerard’s tax problems? Does the Treasurer maintain that no source at all—no minister, no staff, no department, no government member or member of the Liberal Party—brought Mr Gerard’s tax problems to the Treasurer’s attention prior to last Tuesday week?

Mr COSTELLO—I totally stand by what I have said in relation to this matter.

Mr Crean interjecting—

Mr COSTELLO—There goes the sound effects man again, the member for Hotham. There he goes. Just when you thought he was running out of relevance in this parliament, the sound effects man comes to the fore! As I told the House yesterday, this matter was discussed fully in the cabinet. There was full and unanimous endorsement in the cabinet. Nobody in the cabinet raised with me or with the Prime Minister, to my knowledge, or with anybody else any reservation in relation to those tax matters. As I said yesterday, the first knowledge of them came when they were reported in the AFR.

East Asia Summit

Mr LAMING (2.17 pm)—My question is to the Minister for Foreign Affairs. Would the minister inform the House of preparations for the East Asia Summit meeting to be hosted by Malaysia next week? Minister, what does that say about Australia’s engagement with East Asia?

Ms Macklin—What did you know, Alex?

The SPEAKER—Order!

Mr DOWNER—I thank the honourable member for his question. I know—this is one thing I do know—that the member for Bowman is a serious member of this parliament and is making a great contribution. The inaugural East Asia Summit, in which Australia will participate as a founding member, is going to take place next week on 14 December in Kuala Lumpur, and the Prime Minister will be attending. This is an important development in the evolution of the architecture of the East Asia and Asia-Pacific region. This summit will bring together the leaders of 16 regional countries—the ASEAN countries as well as China, Korea, Japan, India, Australia and New Zealand. These countries collectively represent 49 per cent of the world’s population and 21 per cent of global trade, so this is not an unimportant meeting.

Later this week I will be going to Kuala Lumpur and meeting on 10 December with my foreign ministerial colleagues to make preparations for the summit. I would expect that the leaders summit will address a wide range of transnational issues of importance to the region: counter-terrorism, economic integration, energy security, governance, avian flu and so on. But this, of course, is the first summit, so it is only the very beginning of a process which will evolve over the years. At this stage we do not know how it is going to evolve, but we can say this: the East Asia summit along with the ASEAN Regional Forum, APEC, ASEAN, ASEAN plus 3 and so on will all in their own different ways make a contribution to the emergence of an East Asia community. The fact that Australia is there at the beginning of the
emergence of an East Asia community, however that develops and whatever its character may be, is an important development for Australia.

I think it is fair to say that the East Asia summit comes at a time when Australia’s ties with East Asia have never been stronger or more diverse. We have excellent political cooperation to help deal with problems such as terrorism and transnational crime. The volume of our trade with the region continues to grow. Our exports to the East Asia Summit countries over the past six years have grown by 48 per cent. Negotiations are under way to develop an ASEAN-Australia-New Zealand free trade area, and we have free trade agreements under negotiation with Malaysia and China.

Finally, and I know the Minister for Education, Science and Training appreciates this very much, it is worth noting that if you exclude students from New Zealand—we do not have accurate figures for New Zealand—there are some 205,000 students from East Asia Summit countries studying in Australia. It was once said by the Labor Party that this government would not be able to deal with Asia. I do not think any government in the history of Australian federation has so successfully dealt with Asia as this government. Much as it may pain the Leader of the Opposition, who maintains a pretence to know something about foreign and security policy, the public know that on those issues he is weak.

Liberal Party of Australia

Mr BEAZLEY (2.22 pm)—My question is to the Prime Minister. Did the Prime Minister have any discussions with the Treasurer or any other member of the government or of the Liberal Party regarding who should replace Mr Ron Walker as Treasurer of the Liberal Party?

Mr HOWARD—Mr Speaker, before I answer that question, can I join you in welcoming in the gallery the distinguished minister from Iraq. Can I say, on behalf of the government, how much we admire the bravery and the stoicism of the people of Iraq in fighting to establish democracy in their country against the most appalling tactics of the terrorists. We are proud of you and we support you.

Honourable members—Hear, hear!

Mr HOWARD—In relation to the question asked by the Leader of the Opposition, it would obviously have been the case that, as leader of the federal parliamentary Liberal Party, I would have had discussions about Mr Walker’s replacement, he having indicated in his statement today that he said in 2002 that he was going to stand down. Mr Walker also went on in that statement to say that Mr Gerard was approached and Mr Gerard declined without giving any specific reason. I can certainly repeat what I said to a spokesman last night, that I have no recollection of Mr Gerard declining on account of matters relating to tax.

You asked me whether I had any discussions with the Treasurer. I have actually no specific recollection of a discussion with the Treasurer about this matter, although it is entirely possible. In the nature of things, he being the deputy leader of the parliamentary Liberal Party, we would have talked about it.

Mr Tanner—What is your retaliation to that going to be, Pete?

The SPEAKER—I call the honourable member for Makin.

Mr Tanner interjecting—

The SPEAKER—The member for Melbourne is warned.
Economy

Mrs DRAPER (2.24 pm)—My question is addressed to the Treasurer. Would the Treasurer outline to the House data released today on housing finance and international trade? What does this data indicate about Australia’s economic outlook?

Mr COSTELLO—I thank the honourable member for Makin for her question and for her interest in the Australian economy. That is what gives Australians their future in the labour market and it is what determines whether or not they can afford their housing, to educate their children and to pay their mortgages. I welcome her interest in the Australian economy and its prospects, which is not matched by the opposition.

Today we had housing finance figures released showing that the total value of housing finance commitments rose 2.5 per cent in the month of October. This was driven by increases in the value of both owner-occupied and investor-financed housing. Despite a slight fall in October, the number of first home buyers entering the housing market remains at a high level, with around 10,200 loans to new home buyers over the month. So the number of loans to first home buyers has now been above the long-run average for eight consecutive months, and that is a good thing. We are seeing now first home buyers, many of whom will be in the electorate of Makin, returning to the market because we have seen a stabilisation of prices without increases in mortgage interest rates.

My colleague the Minister for Trade has already spoken to the House about today’s international trade figures and the welcome increase in exports as opposed to a more moderate increase in imports. The consequence of that is that the trade deficit for the month of October narrowed, and the good news is that last week ABARE released its September crop report which upgraded the winter crop production forecast to 37.8 million tonnes. This is 20 per cent higher than in 2004-05. So we are seeing crops being upgraded, we are seeing very strong export opportunities coming in the mining industry and, although it has taken some time, I believe investment in mining infrastructure is now starting to come on-stream in a way which will boost mineral exports.

Tomorrow the national accounts will be released, which will give us the first snapshot of growth in this financial year—the September quarter of 2005. On the back of the national accounts, the government will then prepare its midyear review, which will update its forecasts, and hopefully that will be released before Christmas. That is certainly the aim. If there are no surprises in the national accounts, that will allow for an update of all of our forecasts and fiscal position.

Liberal Party of Australia

Mr BEAZLEY (2.28 pm)—My question is to the Treasurer. I ask the Treasurer whether he is aware of Mr Ron Walker’s comments, replayed on this morning’s ABC AM program: I’d have to say Peter Costello’s a great friend of mine, a very personal friend of mine, and I’ve known him for many years ...

Is Mr Walker right about this close friendship and, given that this close friendship exists, does the Treasurer seriously expect the House to believe that Mr Walker did not canvass with him who should be the Treasurer of the Liberal Party?

Mrs Bronwyn Bishop—Mr Speaker, on a point of order: I would remind you that standing order 98 says that during question time a member may ask a question of a minister for things which he is officially connected to. The questions which the Leader of the Opposition is asking are not matters that
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meet the description set out in standing order 98 and I would ask you to rule him out of order.

The SPEAKER—I thank the member for Mackellar. I am listening carefully to the Leader of the Opposition, but he has not completed his question, so I will ask him to continue.

Mr BEAZLEY—Secondly, that the Treasurer did not know that Mr Gerard was on the list of possible replacements for Mr Walker and that the Treasurer did not know that Mr Gerard had tax problems prior to his appointment to the board of the RBA?

The SPEAKER—in calling the Treasurer, he is not required to comment on party matters.

Mr COSTELLO—The import behind this allegation collapsed today when Mr Walker put out his statement, which the Prime Minister has already read out. Mr Walker said that when he went to Mr Gerard he declined to be considered for the post and gave no specific reason. So how Mr Walker could pass on to me a reason which was not in fact given to him is a bit beyond me. But no doubt the inventive minds of the opposition will work on that one as well. As for Mr Walker himself, yes, I believe that Mr Walker is a very fine man. Mr Walker has done a lot for this country. He is the chairman of the Commonwealth Games in Melbourne, appointed by a state Labor government which apparently has full confidence in him. He has managed numerous Olympic bids for Australians. If you ever wanted an accolade in life, what could be a higher one than to be the chairman of the Fairfax newspaper company, which Mr Walker also is.

Welfare to Work

Mr CAUSLEY  (2.30 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister update the House as to how the government is encouraging greater work force participation? Are there any alternative views?

Mr ANDREWS—I thank the member for Page for his question. As he knows, this week the Senate is debating the Welfare to Work bills which show that this government is prepared to address the challenges which face Australia. At a time when we have labour force shortages in this country, we also have around 19 per cent of the working age population in receipt of income support and a growing dependence on both the disability support pension and the parenting payment single by people who are able and, indeed, willing to work. In fact, there are now more Australians in receipt of the disability support pension than there are in receipt of the Newstart allowance, which is the unemployment benefit. The sad reality is that there are still some 700,000 children in households in Australia where nobody has a job. It is because of these issues that the government is addressing the Welfare to Work measures in order to assist people to obtain the best possible form of welfare—namely, a job—but also to provide continuing support for those who are unable to do so.

This legislation is a test for the Labor Party as to where it stands in relation to welfare in Australia. I note that the Australian Labor Party still has not got a welfare to work policy. Indeed, a search of its web site and policy announcements reveals that there is absolutely nothing in relation to welfare to work from the Australian Labor Party. The closest we came was at the last election where the Labor Party called for a policy summit. I note the words written in the diary of that well-known diarist—Mr Latham, that is—on the day that this was released. He said:

Is this the low point in our five wasted years? A Crean-Swan press release today announcing that our election policy on poverty is to convene a summit ...
There is one document from the Australian Labor Party that even comes close to something on this subject. It is Kim Beazley’s plan for disability services. Tellingly, it says this:

Labor will develop a National Plan for Disability Policy. This will be a ten-year framework ...

This document was released in 2001, some four years ago.

Mr Beazley—How absurd!

Mr ANDREWS—The Leader of the Opposition interjects, ‘How absurd!’ Indeed, how absurd it is. Four years ago, the Australian Labor Party said it has not got a policy; it has not got any funding for this policy. Its policy is a policy to develop a policy and that policy is going to be developed over a 10-year period. Worse than that, four years into that 10-year period it still does not have a policy.

The reality is that this government is getting on with making changes to address the challenges facing Australia. Part of that change is to recognise the reality of part-time employment in Australia. When the social security system was established in this country during the Second World War, there was full-time work or unemployment. Today there are many hundreds of thousands of people who are engaged in part-time work, and we believe that it is appropriate to encourage people who are capable of working part time to work part time. That of course stands in marked contrast to the attitude of the Australian Labor Party. We all recall the Deputy Leader of the Opposition on Meet the Press on 18 April last year. She was asked by Mr Bongiorno:

But, Jenny Macklin, isn’t it a fact that a casual job is better than no job?

To which Ms Macklin, the Deputy Leader of the Opposition, replied:

Well, I don’t think that’s the case ...

In other words, we have an Australian Labor Party still stuck in the 1940s so far as policy is concerned. There is no work to develop policies in this country. We have opportunism from the Australian Labor Party, but as we come towards the end of another year there could be no greater contrast between a government which is getting on and meeting the challenges of Australia and an opposition which is totally bereft of policy led by a man who is simply lazy when it comes to policy.

Voluntary Student Unionism

Mr ANDREN (2.36 pm)—My question is to the Minister for Education, Science and Training. Minister, has your department conducted any economic or social impact study of the likely effects on universities, especially regional campuses, of the proposed voluntary student union legislation? Are you aware of suggested amendments from the university sector and my colleague the member for New England that would soften the impact on students, their families and university communities such as those in Orange and Bathurst? Will the minister consider these amendments and/or conduct such an impact study?

Dr NELSON—I thank the member for Calare for his question. I can confirm that Charles Sturt University, in which he might have the greatest interest, will receive an additional $73 million as a result of the government’s reforms to higher education. I can also confirm that the regional universities will specifically be receiving an additional $143 million to support their regional activities. I can also confirm to the House that, of the 39 publicly funded universities, publicly available accounts can only be obtained in 13 of those cases, and in four of those cases those accounts are incomplete. Of the nine student accounts that we are able to get hold of because they are in the public arena—student unions are currently treated by uni-
versities as independent business units within the universities—I can tell you that the total union revenue of Charles Sturt University is $1.9 million and, of that, $950,000 is compulsorily acquired.

My department also tells me that there are 3,000 students who attend the university but that there are 4½ thousand students at Charles Sturt University who do not ever set foot on the campus. Each of them is required to pay $136 a year. They do not ever attend the university, yet they are required to subsidise a whole variety of services they neither need nor want and certainly do not use. My department advises me—and it is certainly the government’s view—that it is long past time that students in Australia, whether they live in cities or whether they live in rural and regional communities, should be free to decide what services they will purchase when they go to university and which organisations, student unions, guilds or associations they will join. That is the government’s position. The government is determined to make sure that Australian students, particularly students from struggling regional communities, have choice in relation to going to university.

Iraq

Mr FAWCETT (2.39 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the trial of Saddam Hussein and the development of justice in Iraq?

Mr DOWNER—I thank the honourable member for Wakefield for his question and his interest in this serious issue. The trial that is under way at the moment of Saddam Hussein, the former dictator of Iraq, is the first of what is likely to be a number of trials in relation to him and his henchmen. In this case, it is a trial relating to a massacre of 148 people in the village of Dujail in 1982. Overnight, the first of the witnesses, Ahmed Hassan Mohammed, appeared in person. He gave his testimony, which of course will be tested by the court. In his testimony, he said that hundreds of men, women and children, including his own family, were taken to intelligence headquarters in Baghdad. In an emotional testimony, he described scenes of torture. I will not repeat the details here, but he witnessed the torture of his own family and friends. He said: ‘A friend of mine was tortured. He was actually killed in front of me. I saw that. People who were arrested were taken to prison and most of them were killed there.’ The second witness who appeared, Jawad Abd-al-Aziz Jawad, testified that Saddam’s presidential guard had bombed the village repeatedly.

This trial is being conducted by Iraqis. Australia, along with other countries, is helping to provide training for the judges, prosecutors and court officials, but this is an Iraqi trial and it is an important step for the new Iraq and for the Iraqi people. What this trial does do is demonstrate to all Iraqis that they no longer need fear their former dictator. It demonstrates to tyrants everywhere around the world that they should be prepared for a day of justice that could very well be served on them. It also demonstrates how right this government has been to take up the challenge and contribute to the overthrow of Saddam Hussein’s brutal tyranny and his dictatorship.

We on this side of the House do not forget that, in all his years in office, it is at least alleged that Saddam Hussein was responsible for the deaths of anything up to two million people, if you are to include the impact of the Iran-Iraq war, which he started. We on this side of the House will not forget that, if the Labor Party had had its way and if its policy had ever been implemented, Saddam Hussein would still be in power in Iraq.
Mr Rudd—Mr Speaker, I rise on a point of order. In terms of the standing orders, answers must be relevant to the question. It is a matter you raised yesterday about the minister being asked for alternative policies. He is now taking great licence.

The SPEAKER—The minister has concluded his answer and, therefore, it is ruled automatically.

Mr Robert Gerard

Mr SWAN (2.42 pm)—My question is directed to the Treasurer. Does the Treasurer recall stating in the House yesterday:

... my chief of staff rang the tax commissioner to ask if the tax commissioner had any material on Mr Gerard ...

Why did the Treasurer direct his chief of staff to do the unusual and contact the Commissioner of Taxation about Mr Gerard’s tax affairs? Treasurer, has your chief of staff made any similar inquiries about any other Reserve Bank board appointment?

Mr COSTELLO—I did not say that I had directed him to do that. This again is the way in which the member for Lilley works: he wilfully misrepresents people’s answers and then asserts them and then tries to get them reported as fact. But the fact that the assertion is made by the member for Lilley of course does not make it fact. Again, he has wilfully misrepresented what I said. The chief of staff, as I said to the parliament, made inquiries. He was making his checks. If he had not, no doubt you would have complained that he should have. But he did.

Aboriginal and Torres Strait Islander Health

Mr TOLLNER (2.44 pm)—My question is directed to the Minister for Health and Ageing. Would the minister advise the House of the government’s latest efforts to improve the health of Aborigines and Torres Strait Islanders across Australia?

Mr ABBOTT—I appreciate the question from the member for Solomon. I know how seriously he takes this issue. Let me say that Aboriginal health is one of the most intractable problems that Australia faces, but it is not all bad news. I can inform the House that the latest statistics show that Indigenous mortality in Western Australia fell by 25 per cent between 1991 and 2002. For its part, the Howard government has certainly built on the efforts of its predecessors. Indigenous-specific health spending has increased from about $100 million in 1996 to some $350 million in the current financial year. We have tried not just to spend the money; we have tried to remember Noel Pearson’s admonition that Aboriginal people have the right to take responsibility for their own communities and their own advancement.

I can today inform the House of a range of further initiatives: some 27 Aboriginal health services will receive up to $400,000 a year for four years to promote infant and maternal health; four Aboriginal health services will receive an extra $30 million over four years to address critical health issues, most notably in Cape York and at Wadeye, in the Northern Territory; seven additional communities will have access to unsniffable petrol; and some $900,000 will be spent on trachoma surveillance and screening programs to try to avoid preventable blindness amongst Aboriginals living in the Central Desert.

It is almost the test of our seriousness as a nation that we do not take failure for granted in an area such as this. You can certainly trust the Howard government to consider new initiatives to try to ensure that Aboriginal communities are helped, particularly when they are prepared to help themselves. This is a government that is determined to help the vulnerable people of our country. What do we see from members opposite? Nothing but scandalmongering. I turned to
Labor’s forbidden book and I saw: ‘People think Beazley is a big angel’—

Mr Beazley—I raise a point of order, Mr Speaker. There were no alternative policies or anything else asked for in that question. Trying to exploit people who are suffering terribly in terms of their health is politically about as low as you can ever get.

The SPEAKER—The Leader of the Opposition will resume his seat. Has the minister completed his answer?

Mr Abbott—Yes.

Mr Robert Gerard

Mr SWAN (2.47 pm)—My question is directed to the Treasurer, and I refer to his previous answer. Why did the Treasurer’s chief of staff contact the Commissioner of Taxation? Treasurer, has your chief of staff made any similar inquiries about any other Reserve Bank board appointment?

Mr COSTELLO—He did it because he was doing his job, as he is required to do.

Opposition members interjecting—

Mr COSTELLO—I was just asked by an interjection whether I directed him. In fact, if you had listened to the answer I gave, I said I had not directed him—in the answer, after that was alleged by the member for Lilley.

Opposition members interjecting—

Mr COSTELLO—I know that you have to string out another three questions to get to the end of question time. He was doing his job. He was being thorough in doing his job. It did not turn up anything.

Domestic Violence

Miss JACKIE KELLY (2.48 pm)—My question is to the Attorney-General. Could the Attorney please advise the House of the government’s approach to family separation and violence?

Mr RUDDOCK—I thank the honourable member for Lindsay for her question, because I know that as a member from Western Sydney she is very interested in these issues, which impact as much in her electorate as elsewhere in Australia. Of course, she is very much aware that the government is undertaking the most significant reforms to the family law system in over 30 years. Fundamental to those reforms is the right of children to grow up in an environment free of violence.

Opposition members interjecting—

Mr RUDDOCK—I am concerned about false allegations of violence and abuse, as I am equally concerned about those who make false denials. But I want to make it very clear that this government does not tolerate violence against any person. We need to take a practical and informed approach in dealing with these issues. Last week I announced that the government will commission, as part of a broader family law violence strategy, independent research about how the courts are currently dealing with allegations of violence. I am working with the states to improve the ways in which their agencies investigate these matters. I noticed that some members opposite were interjecting. I would like to invoke their assistance in reminding their state colleagues of the need for state and territory governments, in particular, to fulfil their responsibilities. I might say that not all of them are doing that well. Instead of making ill-founded comments, which I have seen from time to time, that our reforms will expose more children and women to violence—

Ms Plibersek—They will.

Mr RUDDOCK—I would hope, as one commentator wrote last week of the member for Sydney, who was interjecting, that they would change their view and not be so intent on shoring up ‘her feminist constituency’. I have to say in relation to this matter that I do not think members of the Labor Party get it. This is not a battle along ideological lines
and it is not about the rights of men or women; it is about ensuring that children grow up in a safe environment, with the best opportunity of having the love and support of their mum and dad.

Mr Robert Gerard

Mr SWAN (2.51 pm)—My question is directed to the Treasurer. Treasurer, if the chief of staff did not turn up anything, what was he looking for and why was he looking? I ask you for the third time: has your chief of staff made any similar inquiries about any other Reserve Bank board appointment?

Mr COSTELLO—As I said earlier, he was doing his job. If he had not done his job, you would no doubt have complained. As to what he has done on previous occasions, I do not know.

Mr Fitzgibbon interjecting—

Mr COSTELLO—If you like, I will ask him. But I make this point: if the chief of staff makes an inquiry I would have thought he was doing his job. As it turned out, he was not apprised of any information. Did he have any knowledge that he did not pass on? No.

Mr Fitzgibbon—Send him a note and ask him to ask you again next question.

The SPEAKER—The member for Hunter is warned!

Superannuation

Mrs GASH (2.52 pm)—My question is addressed to the Minister for Revenue and Assistant Treasurer. Would the minister update the House on initiatives to improve women’s access to superannuation?

Mr BROUGH—I thank the member for Gilmore for her question. Her obvious interest in this issue is both as a member of this place and as an employer in her own right, and due to her interest in the welfare of women, particularly in the Shoalhaven and Nowra region. She is only too well aware that as the labour market has evolved over the years there are more and more women in the labour market. In fact, in Australia today we have historically high levels of female participation in the work force. That is a very positive thing. We are all aware that women move out of the work force more regularly than men, quite often to have a family. Under former policy—the rigid superannuation policy of the Labor Party—when that occurred these women were denied the opportunity to continue to contribute to their own superannuation and make savings for their own retirement. It was a foolhardy policy if I have ever seen one. The coalition moved to change that and remove the work test so that the sorts of women that the member for Gilmore is very interested in assisting—who may have taken up the government’s co-contribution and received $1.50 for every dollar contribution—could continue to contribute to their own superannuation at times when they are out of the labour market. Unfortunately it is not Labor Party policy.

There was an interesting contribution in the Sunday Age on 4 December this year by David Potts. He wrote in reference to a number of the positive initiatives of the Howard government in the area of superannuation. He said:

So any adult can contribute to super. Yes, it beggars belief that this wasn’t always the case, but there you go.

It does beggar belief today, here in December 2005, that the Labor Party is still wedded to a policy of the past—a policy which denies women the right to contribute to their own superannuation when they are having a family. This is a party that has put itself forward as a party for women. It has clearly denied them a fundamental right when they are in the work force and when they are in retirement.

The Labor Party will get an opportunity to lighten up a little bit and get out of the dino-
saur age this week, when the superannuation-splitting bill comes before the Senate. It will have the opportunity to support the government. From 1 January superannuation companies will be able to offer contribution splitting to families. When one spouse is out of the workforce families will be able to split their superannuation contributions, giving them greater access to the tax effectiveness of the superannuation benefits tax relief that the government provides. This is another positive initiative for the women of Australia that the Howard government has put into place. It will back up the super co-contribution, the removal of the work test and the removal of the super surcharge. All in all, it is a policy for the future — unlike those of the dinosaurs that sit opposite, who are lazy in policy and reflect on industrial relations and workplace relations and superannuation policies that have no place in a modern Australian economy.

**Mr Robert Gerard**

**Mr BEAZLEY** (2.55 pm)—My question is to the Treasurer. Isn’t it the case that the people with whom the Treasurer serves were discussing Mr Gerard’s tax problems before his appointment to the Reserve Bank and had raised them with the Treasurer? Isn’t it the case that the Treasurer’s office was able to make and had made inquiries as to Mr Gerard’s problems with the tax office, including documents on the public record from the Federal Court in Victoria from February 2002, the Supreme Court of South Australia from September 2002, a story in the Adelaide Advertiser and his own conversations with Mr Walker and Mr Gerard? And hasn’t the Treasurer already acknowledged that the letter from the tax office to Mr Gerard was unusual? Treasurer, isn’t it the case that you knew about Mr Gerard’s tax problems and cooked up a cover-up so that you could reward a million dollar Liberal Party donor mate?

**Mr COSTELLO**—That is absolutely false. I am going to answer the question. It is absolutely false. The allegations that the Leader of the Opposition has just put are absolutely false, and the idea—

**Opposition members interjecting**—

**The SPEAKER**—Order! The Leader of the Opposition was allowed to ask his question. The Treasurer should be allowed to be heard to give his answer.

**Mr COSTELLO**—The allegation that the Leader of the Opposition has just put is absolutely false. The suggestion that either I knew or my office knew or had gone through court records in 2003 is absolutely repudiated. The idea that I knew anything that was in the AFR is absolutely repudiated. The idea that my chief of staff knew those matters is absolutely repudiated. The idea that there was any conspiracy is absolutely repudiated.

**Ms Gillard interjecting**—

**The SPEAKER**—Order! The member for Lalor!

**Mr COSTELLO**—Yesterday they were saying that Mr Walker had passed this information on to me. What transpires today—Mr Walker did not even know this—

**Ms Gillard interjecting**—

**The SPEAKER**—Order! The member for Lalor is warned!

**Mr COSTELLO**—let alone was he in a position to pass this on. Here we have an opposition which has made false allegation after false allegation. If this was all known in March 2003, why didn’t somebody in the press gallery report it? If this was all so well known in March 2003, why didn’t the opposition report it? The Leader of the Opposition was asked earlier today—I believe—on 3AW: ‘Why didn’t you raise this in March 2003?’ And he said, ‘Oh, well, the Iraq war

Mr Ripoll—What did you do about it?

The SPEAKER—Order! The member for Oxley!

Mr COSTELLO—In June 2004? I could go on. It was so well known that for three years—

Mr Ripoll—What did you do when you found out?

The SPEAKER—The member for Oxley is warned!

Mr COSTELLO—nobody raised a single thing, because nobody had any more knowledge in relation to these matters than the government had. I defy the Leader of the Opposition and members of the opposition who now say, ‘Ron Walker knew and the Adelaide Advertiser knew and people were down there looking through court records’. All they have got to do is produce one statement of their own which shows how well these matters were known. The question that was put by the Leader of the Opposition, which he put so that he could move his censure motion—which we now eagerly anticipate—was absolutely false. It is absolutely repudiated and it does not have a skerrick of evidence.

TREASURER
Censure Motion

Mr BEAZLEY (Brand—Leader of the Opposition) (3.00 pm)—by leave—I do not believe you, Treasurer, and I move:

That this House censure the Treasurer for:

(1) his appointment of Mr Robert Gerard to the Reserve Bank Board when he knew the true state of Mr Gerard’s corporate tax affairs; and

(2) his subsequent attempt to conceal and cover up the circumstances surrounding the appointment of Mr Gerard, a major donor to the Liberal Party

I thank the House. I point out that, when an attempt was made to move a censure motion against the government last Thursday, they were not so keen to accept it. They have been a bit embarrassed over the last few days. The document that I am holding represents the public knowledge—at least one small aspect of it—that appeared around the time of the appointment of Mr Gerard. The Advertiser Adelaide headline says: ‘Gerard takes the tax man to court over bill for $70 million’. That is point 1.

Point 2 is that I know from my experience as a minister that every single piece of paper that is produced in the clippings service goes onto the desk of the relevant minister—in this case, the Treasurer. The notion that the collected clippings in the Treasurer’s office that day in March did not include this article is an absolute nonsense. When I was Minister for Defence, every day that there was a story on the Department of Defence in the clippings service, it went straight on the desk. This article was on the Treasurer’s desk, and it was seen by either him or members of his staff that day.

What else have we found out today? His chief of staff made inquiries to the Australian Taxation Office about the circumstances of Mr Gerard. What the Treasurer could not tell us today was whether such an inquiry had been made in the case of the appointment of any other person to the Reserve Bank board. However, the Prime Minister was able to confirm today that it was entirely possible that he had discussions with the Treasurer about one of Mr Gerard’s circumstances—that is, his potential appointment to the Liberal Party—but that he had no recollection, and I remember him mocking certain members on this side of the House on the subject
of ‘no recollection’, of whether tax issues were raised. That was a very sensible saving piece by the Prime Minister in this regard.

The Treasurer has misled the Australian people and the Australian parliament, and he is no longer fit to be Treasurer of this country. Over the course of the last week, we have witnessed the Treasurer trying to explain the utterly inexplicable, until we arrive at the position where the Treasurer, in arguing this case, stands up and says, ‘I conducted the appointment of Mr Gerard to the Reserve Bank in a complete fog—a mist of no knowledge, with all sorts of people out there running around knowing things but none of it ever being able to penetrate the gloom and get through to me before I put this before the parliament.’ And he expects all of us to believe that. He has dug himself in deeper and deeper.

Frankly, it has not been the performance of a mature person in this job. He has resembled a child—a small child trying to get away with a fib. I have never seen a grown man so quickly dissemble and become completely trapped by repeated confections, compromised by fiction, agonised by arrogance and tangled in deceptions of his own making. All this week he has been entirely unable to accept the truth about what it is that he has done. Despite all fact, all reality and all truth, he continues to defend the indefensible in his behaviour on this occasion.

This is not the playground of our youth and this is not the errant child with his hand in the cookie jar. He is the Treasurer of the Commonwealth of Australia, the chief financial officer of 20 million Australians and the pretender to the prime ministership with a sworn duty to be truthful at all times. He is required to appoint our country’s best and brightest to the board of the bank and to exhibit high standards of integrity, honesty and leadership.

Before I explain all the details of Mr Costello’s deception, I want to discuss the standards that he has set, the messages that he has sent out to Australia over the last week. He says this about tax havens: ‘Tax havens are okay.’ What else did he say about that? He said, ‘Every Australian has a right to contest a tax ruling.’ I say that that is disgraceful. He says: ‘Run away from your responsibilities as a corporate citizen; you are only guilty if you get caught.’ No wonder there is article after article in the financial press saying: ‘What message does this send to the ordinary Australian taxpayer? The Treasurer is up here justifying himself over the appointment of a man who was into the tax department for something like $150 million at the time.’ Last week in this parliament he was saying about these matters that this is the sort of bagatelle that you expect to be out there all the time. It does not matter to him at all.

The example being set here is the Liberal Party with one standard for their rich mates and another standard for the PAYE taxpayer who, in the last week, has been skinned rotten by the actions of the Liberal Party in relation to their penalty rates, their holiday pay and all the rest of it in the industrial relations situation. What a juxtaposition that, during the course of the same week, on the one hand, there is great protection around the mate, the appointment of a mate who is into the tax office for some $150 million, the deceit and deception around their knowledge at the time of the appointment of this man and the fact that he was into the tax office and, on the other hand, there is ranting triumphalism as they tear apart the living conditions that Australians have become used to over the years.

And you do not think that you are not arrogant, you do not think that you are not out of touch and you do not think that you do not understand what is happening to ordinary
Australians and why they are so annoyed with you! I say it is absolutely disgraceful. The Treasurer has run away from his responsibilities as a corporate citizen. The person whom he appointed has run away from his responsibilities as a corporate citizen but, according to the Treasurer, you are only guilty if you get caught. I think that is disgusting.

His first, second, and third principle for explaining himself to this place was deceive, deceive and deceive. When he should have stood up and faced the truth, he slithered along the ground and embraced deceit. I think it is pathetic and beneath contempt. Are these the standards we are going to set in this place; are these the values we want to exhibit and see exhibited in our leaders? Shame on you, Treasurer. You pranced for 10 years in this place about your rectitude. You have had the first test here in this place of your administration and you have failed and bungled miserably. You have not done the things that you ought to have done in ensuring that the integrity of the Commonwealth’s position is protected. You have chosen a path because at the time you thought you would get away with it.

In the remaining 13 minutes I want to have a look at the undisputed facts in relation to this. The Treasurer is expecting us all to believe that he had absolutely no knowledge, that there was no knowledge within the government, there was no knowledge amongst his staff—there was no knowledge at all. He would absolutely have us believe that. Let us consider the undisputed facts. Firstly, Liberal Party crony and $1 million Liberal Party donor had engaged in a prolonged 14-year battle with the Australian Taxation Office with millions of dollars at stake. Understand this: 14 years of battle, and this is a man deeply connected within the Liberal Party. He is probably their biggest individual donor and a loyal donor—not a cent to the Labor Party—with all the money going to the Liberal Party.

Mr Howard interjecting—

Mr BEAZLEY—Yes, you are such a small man, Prime Minister, when you get going in these things. Let us get back to the point here—14 years. Do you think it is conceivable that, in those 14 years, Mr Gerard would not have had a word or two with the senior echelons of the Liberal Party about the pain in the neck he was experiencing, about the attempts of the tax office to close the haven that he had set up personally? Do you really expect us to believe that nobody in the Liberal Party who knew the Treasurer actually understood that? In question was Mr Gerard’s tax scheme that saw corporate income channelled through a phoney insurance company in the Dutch Antilles to avoid paying tax. After engaging in a legal trust that lasted well over a decade, the tax office finally caught up with him and Robert Gerard was forced to pay back $75 million. All those three facts are undisputed.

Then in 2002 the Commissioner of Taxation brought an action against Gerard Industries in the Supreme Court and the Federal Court in Adelaide. Documents were filed in the Federal Court of Victoria in February 2002, detailing Mr Gerard’s business tax dispute with the tax office. Those documents were available from that point to anybody who asked at the registry of the Federal Court. They are not private documents; they are documents we have been easily able to access. Though yesterday, in a dissembling performance here in answer to a question, the Treasurer implied that these documents related to the court cases, and all members of this parliament will remember that. He implied that these documents were secret and not available to members of the
public, not available to his office and not available to anybody who had an interest in the affairs of Mr Gerard.

Additional documents were filed in the Supreme Court in South Australia on behalf of Mr Gerard in September 2002. Once again, they related to his tax dispute; once again, they were available. And, while the Treasurer claims that these documents filed in the South Australian Supreme Court were matters on the file and were never put to the court and were not on the public record, this is not the case. The tax office audit was filed by Gerard Industries and, under South Australian law, was open to anyone who wanted to see it.

Then just after the Treasurer made the Gerard appointment in March 2003, it was there in black and white on the pages of the Adelaide Advertiser: details of the tax office audit report into Mr Gerard’s company. Later that year, in September 2003, the fact that the tax office had put a $250 million charge in the ASIC register over the assets of Gerard Industries was, again, public. This is a record of intense public study of Mr Gerard’s circumstances and his relationship with the Taxation Office. They are available with a modicum of diligence to the office of the Treasurer and to the office of the Prime Minister. All these things are available to them.

What are the other elements of circumstantial evidence that point to the fact that the Treasurer is culpable here and that he knew something about all of this? There is the statement of Mr Gerard himself, which the Treasurer ignored for five days and did not deny that allegation until 5 December. That concerned a conversation that Mr Gerard suggested he had with the Treasurer in which he said that the Treasurer had said to him, ‘I know that you have got some problems with tax, but that doesn’t worry me.’ The point about that particular quote—which has been denied by the Treasurer in this place, but I do not believe him on this—given all the other circumstances created, is that clearly this was a matter very much in Mr Gerard’s heart and probably in the heart of everybody he had a talk to in the South Australian Liberal Party over the years as he railed and remonstrated against the unfairness of the tax office and the way they were trying to deal with this haven.

The circumstantial evidence of that suggests that it certainly would be on Mr Gerard’s mind as he had a discussion with the Treasurer. So it is not surprising he should find the Treasurer saying to him—and Mr Gerard has never contradicted the quote attributed to him in the Australian Financial Review, no matter what the Treasurer might say—‘I know you have a tax problem, but it’s no problem to me.’

What occurs after that is confection—again, we will go to circumstantial evidence. The Treasurer in parliament last week said, as he defended himself about all the efforts he had made to ensure that Mr Gerard’s status was acceptable: ‘I even had the unusual circumstance of a letter from the taxation commissioner saying that personal affairs were not included.’ Why on earth would you get that? It is not required of everyone else; what is required of everybody else is that they simply state they do not have a problem. That is the form you fill out: ‘I do not have a problem with Tax, so you can safely appoint me.’ It is on their own cognisance, but he introduces a letter—very carefully cast, very narrowly cast—related to the personal but not to his corporate tax affairs, although as we have already seen in this place the personal was corporate and the corporate was personal in the case of Mr Gerard. We find there that what is presented is a document to the Treasurer saying, ‘No, I don’t have a problem with personal taxation.’
I will tell you what I believe, Mr Speaker, and I think all the facts point to this. All the facts that I have been going through point to this: what the Treasurer was seeking was a bit of coverage. What Mr Gerard knew was that he needed to provide that coverage to the Treasurer, because he knew that the Treasurer knew of his circumstances. So he had to arrive at a defensible position. In the sloppy morality of the people who operate this government, there is a separation here of the personal from the corporate. They like a little bit of hairsplitting here. At that stage of their pomp and arrogance, they thought it was pretty much all right for them to be able to laugh up their sleeves at the rest of the Australian population and say to them: ‘Don’t worry about this. We’ve scuppered the Labor Party and everyone else. We’re okay on that front, provided we’ve got cover.’

What was the cover? The cover was a letter related to personal taxes. If the Treasurer really expects us to believe that there was in his mind absolutely no knowledge of the existence of any tax problem out there, wouldn’t actual receipt of this letter have told him something—that perhaps there was a bit of a problem here? Then there are the inquiries of his staff about it. He seems to know very little about the operations of his staff. He does not make all that many appointments to the Reserve Bank board—not that many appointments; a few here and there—but the Treasurer in question time cannot answer today a simple question from the opposition: do your staff routinely attempt to check with the taxation department about whether or not the tax department has any problem with an appointment?

What are you running, Treasurer? I know that the Prime Minister likes to accuse you behind your back of laziness, but not to understand what your chief of staff happens to be doing in this set of circumstances is really truly extraordinary. Not to know whether or not your staff makes inquiries of the Taxation Office about every candidate for the Reserve Bank is truly extraordinary. Of course, you do know, Treasurer—you do know. You knew about the fact that Gerard had tax problems back then. You knew that. You may not have known the full extent of it, but you knew the generality of it.

The Treasurer certainly knew it at that point in time, like he knows that his staff do not routinely check with the taxation department whenever he is appointing somebody to a position on the Reserve Bank board. That does not happen. What happens is that they expect an honest answer from the appointments to the Reserve Bank board to the questionnaire they have to fill out on whether or not they have a problem with the Taxation Office. He knows full well, but he did not want to say it in this place because it would look so embarrassing for him, so he chose to appear an ignorant minister instead of a culpable one. Instead of appearing as a culpable minister, he decided that he would appear in this place as an ignorant minister.

Mr Stephen Smith—A fool rather than a knave.

Mr BEAZLEY—Frankly, a fool rather than a knave, as my colleague from Perth says. The Treasurer would prefer to appear a fool rather than a knave. We want neither fools nor knaves for Treasurer of this nation, and we particularly do not want either fools
or knaves for Prime Minister of this nation. We do not want either of them.

There has been an awful lot in the media about the Treasurer and his work habits over the course of the last few days—none of them put there by the Labor Party; all of them put there by his colleagues. They talk about his inattention to detail. They talk about how he just glosses over things, that he is away with the fairies most of the time. They talk about the fact that he has to put on assistant ministers to run revenue because the bloke is so lazy. Now I agree that that may all be part of a leadership fight between the two culpable individuals opposite me but, frankly, in this case, I do not believe them. I think this Treasurer had enough detail. I think this Treasurer knew exactly what he was doing. I think this Treasurer has been confecting a cover-up as to the state of his true knowledge. I think this Treasurer should be censured, and I think this Treasurer should be sacked.

The SPEAKER—Is the motion seconded?

Mr Swan—I second the motion.

Mr HOWARD (Bennelong—Prime Minister) (3.21 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr HOWARD—Yes. In the course of his speech, the Leader of the Opposition suggested that I had said in question time that, in the nature of things, I had discussed Mr Gerard’s circumstances with the Treasurer; I did not. What I said was that I had had discussions about Mr Walker’s replacement and, although I had no specific recall of a discussion with the Treasurer, it being in the nature of things, I could well have had some discussion about that replacement. I would remind the House that Mr Walker’s replacement was, in fact, Mr Malcolm Turnbull, the member for Wentworth, and I think the Treasurer and I could well have had a discussion about that.

Mr BEAZLEY (Brand—Leader of the Opposition) (3.21 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the Leader of the Opposition claim to have been misrepresented?

Mr BEAZLEY—Yes.

The SPEAKER—The Leader of the Opposition may proceed.

Mr BEAZLEY—The Prime Minister has implied that I just misled people about this. I will quote him directly. The Prime Minister said this:

I have actually no specific recollection of a discussion with the Treasurer about this matter, although it is entirely possible. In the nature of things, he being the deputy leader of the parliamentary Liberal Party, we would have talked about it.

Mr Howard—This matter to which I was referring was in fact Mr Walker’s replacement, not Mr Gerard’s circumstances.

Mr COSTELLO (Higgins—Treasurer) (3.22 pm)—Let me say at the outset that the case that was put by the Leader of the Opposition was false and is utterly repudiated. I was surprised to see the Leader of the Opposition come in here with a typewritten censure. So outraged was he about the new findings that have come out today that he had actually written his censure before question time and stood up and started reading it out. Why do I make that point? I make that point because the opposition has been trying to maintain this matter with questions which have flopped one after the other, trying to eke it out and make it look as if there were some new revelation.

And what was the new revelation that the opposition came in here with today? The
new allegation that the opposition came in here with was that Mr Ron Walker had been told that Mr Gerard had a tax problem and, because Mr Ron Walker had been told that, I must have known. There is just one itsy-bitsy little problem: a statement by Mr Ronald Walker. That is the one problem in that allegation—a statement by Mr Ronald Walker, who said in his statement that he informally approached a number of people to ascertain their interest in succeeding him. Mr Gerard declined to be considered and gave no reason. There is one little problem with this allegation that is being put by the opposition: Mr Walker was not given any reason, so it was very hard for Mr Walker to pass any reason across to me. In fact, as I said last night, nobody even told me that Mr Gerard had been approached, and it is not entirely clear to me even today that he had been approached.

So here was the great confection that we were supposed to be covering up: Mr Walker had passed on information to me which Mr Walker denies ever receiving. What is more, he could not have passed it across, because I never received it. So here we are. We have this great new allegation. Unfortunately, it is cut to smithereens. So rather than say that another false allegation had been put, as it was by the member for Lilley last night—and he ought to be withdrawing the allegation he made in relation to that—we go ahead with this planned censure, read out with typewritten words.

Let me go back and start at the very beginning. The whole case of the Labor Party rests on this: Mr Gerard was appointed to the Reserve Bank board because he was a donor and he had not given any money to the Labor Party, as the Leader of the Opposition said. Mr Speaker, I will warrant you this: there are people on the Reserve Bank board who are donors to the Liberal Party and maybe to the Labor Party as well—but if you are a donor to the Labor Party you do not get singled out for this kind of attention. So this was the chief allegation.

**Mr Crean**—Why did he resign?

**The SPEAKER**—The member for Hotham!

**Mr COSTELLO**—What is the motive? Mr Gerard had to go onto the Reserve Bank board because Mr Gerard was a donor to the Liberal Party. Let me tell you why Mr Gerard went onto the Reserve Bank board. Mr Gerard went onto the Reserve Bank board because he was the largest employer in South Australia. He happened to employ 3,300 people. Mr Gerard went onto the Reserve Bank board because there was nobody from the manufacturing industry on the Reserve Bank board. Mr Gerard went onto the Reserve Bank board because he was from South Australia and there was nobody from a state or territory other than New South Wales, Victoria or the ACT. Mr Gerard went onto the board because he had been given an Order of Australia for his services to export industry. He had been the President of the ACCI. He was on the Prime Minister’s Community Business Partnership. He had been South Australian of the Year. Mr Gerard was eminently qualified to go onto the Reserve Bank board by reason of his achievements, recognised over the years, and by reason of the business and the perspective that he brought to the board.

**Mr Crean**—Well, why did he resign?

**The SPEAKER**—The member for Hotham is warned!

**Mr COSTELLO**—Let me make this point: he was on the Reserve Bank board for nearly three years. Those three years were a period of very strong conduct of monetary policy and very successful conduct of monetary policy. During that period, was there any objection from the Australian Labor Party? This is a man who was not appointed last
week. He was not appointed last year. He was not appointed at the end of 2003. This is a man who was appointed in March 2003. And according to the Leader of the Opposition, everybody knew—including him—that he had a tax issue. Everybody knew. But, if everybody knew, why was nothing said by the opposition in March 2003—or April, or May, or June, or July, or August, or September, or October or November? We had the height of silliness today when this very question was put to the Leader of the Opposition: ‘If everybody knew, you must have known about that yourselves.’ ‘Yes,’ he said, ‘we all knew about it.’ That was not true, was it? It was not a true statement on radio today, was it—

Ms Gillard—You knew.

Mr COSTELLO—the member for Lalor is on very thin ice.

Mr COSTELLO—that the Leader of the Opposition knew all about it? After saying that they had known all about it, why didn’t they raise it? Do you know what the Leader of the Opposition said? He said: ‘We didn’t raise it. We knew about it—everybody knew about it. We didn’t raise it because it was the height of the Iraq war.’ I will tell you who is confecting a whole story here: the Leader of the Opposition is confecting a story that everybody knew, he knew, and that there was a reason why it was not raised. It was the Iraq war. Let me tell you that the Iraq war would not have stopped the Australian Labor Party from raising this matter if the Australian Labor Party had known about this. Let me also make the point that the Iraq war might have been at its height in March 2003, but it was not at its height in December 2003, or March 2004, or December 2004, or March 2005 or October 2005 when, in possession of all of these facts, he sat back on his digs and he did nothing about it.

Why does he say now, ‘It must have been known’? He produced a clip from the Adelaide Advertiser. That was his next attempt to say that everybody knew. There was a clip from the Adelaide Advertiser on 28 March 2003, and he says that clip must have come to me. Let me say that I never saw this clip. By the way, this was after the appointment. The whole case was that I was on notice because I had seen this clip before the appointment. That article was published after the appointment.

There is one other problem with the member’s case. I think he began by saying that the clip had been saved and must have been known in my office. It was not known. It was not known by me any more than it was known by the opposition, the Financial Review, the Australian or by Channel 9. This idea that there had been an article in the Adelaide Advertiser on 28 March 2003 and therefore everybody knew is false. It is absolutely false.

I defy the Leader of the Opposition to produce one statement from the Labor Party—which was on notice because of the Adelaide Advertiser—that raised this issue on behalf of the Labor Party. There is not one statement. I will tell you why there is not one statement: nobody in the Australian Labor Party, any more than anybody in the government, would have read a headline like that and been apprised of the matters which the Australian Financial Review reported last week.

Let me go on and talk about the court case. The point that I made yesterday in relation to the court case was that the case had never actually run. There had been an affidavit, as I understand it, which had been filed in the South Australian Supreme Court, but the case had never run. The affidavit had never been read into evidence. It had never been reported. It had never been tested or
cross-examined. It had not been the subject of a finding and it had not been the subject of a judgment. So, unless the proposition is—and I think this is the proposition—that I or someone on my behalf should wander around the courts of Australia reading affidavits that have been filed, there is no way they would have been on notice of that anyway. So we now have the clip which did not trigger alarm bells with anybody and an affidavit which was never produced in a court of law, let alone read out to a court of law or been the subject of evidence or cross-examination.

We might think for a moment that the Labor Party would be worried about Reserve Bank board appointments, but we are entitled to look at the Labor Party’s record in relation to Reserve Bank appointments. Now the Reserve Bank is so sensitive that it is the government’s task to wander around every registry of Australia and read affidavits in relation to people. Let us just think about some of the independent people who are above reproach who were appointed to the Reserve Bank board by the Australian Labor Party. Bob Hawke, a well-known political independent and neutral was put on the Reserve Bank board! Why? Because he was ACTU president! That is how independent he was!

Opposition members interjecting—

Mr COSTELLO—You cannot have donors on the Reserve Bank board! You can only have party presidents and financial controllers—like Bill Kelty, who went on the Reserve Bank board. Mrs Janet Holmes a Court was on the Reserve Bank board. I do not want to go through all of Mrs Holmes a Court’s affairs but she was not particularly neutral in relation to those matters. Mr Brian Quinn—

Opposition members interjecting—

Mr COSTELLO—Mr Brian Quinn did a jail term, actually. He was an appointment of the Australian Labor Party.

Government members—Whoops!

Mr COSTELLO—Yes, whoops! There is great concern in relation to those matters and those appointments of the Australian Labor Party. That was an interjection right at the wrong time from the Australian Labor Party, if I may say so.

The truth of the matter is that Mr Gerard was qualified for this appointment by reason of his business experience and by reason of the perspective that he would bring to the board. Mr Gerard provided to the government the same declaration which each person to be appointed to the board is asked to provide. It is a declaration in relation to their private interests. It draws no distinction between their interests as company directors and their interests as individuals. It is a form in relation to their private interests and it is a warrant that their private interests are such that they will not conflict with their duties nor embarrass the government.

That was the declaration that Mr Gerard produced. It is the same declaration that all people who are appointed to Commonwealth posts produce. It is the same declaration that the taxation commissioner is asked to produce. If the obligation in relation to Reserve Bank board members is to go around and read all of the files in all of the courts in relation to all of the matters, how much more important would it be to do it in relation to a tax commissioner, a High Court judge, a Federal Court judge or somebody who may actually have some control over the tax system—which a Reserve Bank board member does not have. Yet what does the Commonwealth do in those cases? It does precisely what it did in relation to Mr Robert Gerard—it asks for a declaration.

Did this government tailor this declaration, as was alleged by the member for Lilley, for Mr Gerard? No, absolutely not. It was the same declaration that was given by
every other Reserve Bank board member—the same declaration which the Australian Labor Party asked, when it was in government, every Reserve Bank board member to give. It is the same declaration that is used for the Commissioner of Taxation. Another one of the allegations that were put in this House under parliamentary privilege was that somehow there had been some kind of tailoring of the declaration. This is something else that it was alleged showed the government was on notice of these things at all times. Then it turned out—unfortunate fact, wasn’t it?—that it was the standard form which was used by all of the Reserve Bank board members.

Let me say in relation to these matters that I repudiate all of those allegations that the Leader of the Opposition has put. He has adduced no evidence behind the allegations today. This is a political attack because, as he said, this man had not given any money to the Labor Party. He was therefore fair game. He became fair game in relation to his Reserve Bank board membership. The government became fair game as a consequence of that. The censure motion was without foundation absolutely and this government totally repudiates it.

Mr SWAN (Lilley) (3.37 pm)—This Treasurer and this government have failed the integrity test at every stage. They have failed the integrity test in the lead-up to the appointment of Mr Gerard to the Reserve Bank of Australia board and continuously failed the integrity test in all of the time since March 2003.

Mr Pyne interjecting—

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

Mr SWAN—The evidence against the Treasurer is damning—absolutely damning. What is the first piece of evidence against the Treasurer? The first piece of evidence against the Treasurer is that Mr Gerard said the Treasurer knew. Mr Gerard is a lifetime member of the Liberal Party, Mr Gerard is someone that they deemed worthy to sit on the Reserve Bank board and Mr Gerard said he had a discussion with the Treasurer about his problems with the tax office. Mr Gerard had a 14-year dispute with the tax office. He says he discussed it with the Treasurer and the Treasurer said to him, ‘I know about your issue with the tax office and I don’t have a problem with that.’ Your standards are so low, Mr Treasurer, that you decided that the Treasurer could appoint somebody to the board of the Reserve Bank of this country who was a serial user of tax havens. That is how low your standards have fallen, Mr Treasurer—so low that you appointed a serial user of tax havens to the board of the Reserve Bank of Australia, a board that requires the highest level of integrity and the highest level of independence and has a fundamental effect on the lives of all Australians and hounds small taxpayers who have problems with the tax system but has an entirely different approach to your mates. Yes, he donated $1.1 million to the Liberal Party, but our major charge, Mr Treasurer, is that the Treasurer should not have appointed to the Reserve Bank of Australia board someone who had a 14-year history with the tax office and was in court with the tax office at the time that he was appointed. And you expect us to believe—

The SPEAKER—Order! The member for Lilley will desist from using the word ‘you’.

Mr SWAN—Would ‘dog’ be okay, Mr Speaker?

The SPEAKER—The member for Lilley!

Mr SWAN—The Treasurer expects us on this side of the House to believe that the Treasurer did not know, when he appointed Mr Gerard to the Reserve Bank board, that
he had a 14-year dispute with the tax office. Mr Gerard was a serial user of tax havens—and he did not know about it! We know he knew about it. We know the Treasurer knew about it because Mr Gerard says so. Here is a press release from Mr Gerard dated Tuesday, 29 November. He says, ‘This was a matter of public knowledge’. In his previous press release, he said he had a discussion with the Treasurer. This is someone the Treasurer deemed fit to be appointed to the Reserve Bank board. That is the Treasurer’s standard, so you appointed someone in that position.

Secondly, we now know that Mr Gerard had a discussion with one of the most senior members of the Liberal Party, Mr Ron Walker—a 15-year fundraiser for the Liberal Party, someone who sits at the right or left hand of the Prime Minister and the Treasurer at federal Liberal Party council meetings. And we are expected by the Treasurer to believe that Mr Walker, who has a 15-year involvement in fundraising and was about to choose Mr Gerard, did not have a discussion with him about his 14-year history with the tax office! What we know from National Nine News last night is that Mr Gerard suggested he could not take the job because he had that problem with the tax office. This means that he was deemed unsuitable at that time to be the federal treasurer of the Liberal Party but okay to be appointed to the Reserve Bank board. It just shows how low the standards of the Liberal Party have gone.

And we are supposed to believe that, while sitting around a wood-panelled room over there in Menzies House the Prime Minister and all the senior people of the Liberal Party, including Mr Walker and Mr Gerard, who has for very many years continuously been a very big fish in the South Australian Liberal Party, did not just wander up to the Treasurer occasionally and say, ‘I don’t like those blokes over in the tax office. They’re a terrible mob. I’ve had a 14-year history with them. When are you going to do something about them, Mr Treasurer?’ We are expected to believe that not a word ever passed in genteel discussion in the Liberal Party about the way this magnificent supporter of the party was being persecuted by the tax office. We are expected to believe this was never a discussion that took place in that wood-panelled room over in Menzies House between Mr Gerard, Mr Walker and the Deputy Leader of the Liberal Party of Australia, who was sitting beside him. That this was never mentioned just beggars belief.

That takes us to all of the other evidence. What is the other evidence? There are the press releases and the press articles, but the other evidence is where the Treasurer misled this House in statements he made here. We know that on the South Australian Supreme Court registry—in September I think it is—this document that I have here was a public document. Why is that important? The Treasurer gets that smirk on his face! Why is it important that it was a public document? I will tell you why; because it blows away your excuse, Mr Treasurer.

The SPEAKER—Order! The member for Lilley will stop using the word ‘you’.

Mr SWAN—It blows away the Treasurer’s excuse that confidentiality was the reason he could not find out from the tax office about the 14-year dispute and that it was a live issue in court. It was a public document, and this could have been provided to the Treasurer by the tax office. We know that key documents about Mr Gerard’s business affairs were on the public record in the Federal Court registry in Melbourne and in the Supreme Court registry in Adelaide in 2002.

That brings us to some interesting statements that have been made today. There has been some discussion about the approach of the Treasurer’s colleagues, particularly four
of his cabinet colleagues who were hanging from the rafters—swinging up there. God knows what would happen if one of them dropped, Treasurer; they might fall right on you. This is what was reported today by Catherine McGrath on The World Today:

The World Today can reveal that it’s not quite the case. South Australian Cabinet Ministers, Nick Minchin and Alexander Downer, didn’t raise objections in the Cabinet meeting, but they’d previously campaigned against Robert Gerard for the State party leadership position back in 1987. Sources have told me they were not supporters of Robert Gerard, but they didn’t voice their opposition in the Cabinet, they supported the Treasurer’s recommendation.

The appointment of Robert Gerard was presented to Cabinet as a virtual fait accompli. There was no ‘swinging from the rafters’. As one source told me, ‘There are no rafters in the Cabinet room.’

The truth is this: the Minister for Foreign Affairs and Senator Minchin are lining up to do the Treasurer in. That is where the stories are coming from about the Treasurer’s knowledge of all this. Of course, the Treasurer is happy to throw anybody overboard to put in place his cover-up and defend himself. Yesterday in the House he threw Mr Gerard overboard. It took him days and days to deny the statement that Mr Gerard made about their conversations. But today the Treasurer did one of the lowest things of all—he threw his chief of staff overboard. The Treasurer cut his chief of staff loose here today. He did not direct his chief of staff to contact the ATO, he said. He did not know why his chief of staff had contacted the ATO, he said. He did not know whether his office had contacted the ATO on other matters, so he cut his chief of staff loose. Why is the chief of staff so important to all of this? I will tell you why. I have a hell of a lot of respect for our Public Service and I know one thing: with documents on the Supreme Court registry and with a 14-year battle with the tax office, alarm bells would have been ringing in the ATO, in the Department of the Prime Minister and Cabinet and in many other parts of our fine bureaucracy that something stunk about this appointment to the Reserve Bank board. Alarm bells were ringing. Of course, what really happened, Treasurer, is that you had a conversation with someone and you said, ‘You’d better give the ATO a ring.’ That is what the Treasurer did. You set the staffer up—

The SPEAKER—Order! The member for Lilley!

Mr SWAN—The Treasurer set the staffer up to ring the tax office because the Treasurer already knew about the problem—otherwise why did we get this extraordinary letter? The press release from Mr Gerard that I have here is on Gerard Corporation letterhead. Mr Gerard does not make any distinction between his personal tax affairs and his corporate tax affairs. It is passing strange, Treasurer, that a letter turns up from the ATO that suddenly talks about personal tax affairs, not business tax affairs. That is why your refusal, on three occasions in this House, to explain whether your chief of staff—

The SPEAKER—The member for Lilley!

Mr SWAN—The Treasurer’s refusal to explain whether his chief of staff has made similar checks when there have been other appointments to the Reserve Bank board is passing strange.

Ms Macklin—Unusual!

Mr SWAN—Very unusual—a word used by the Treasurer himself to describe the process by which the letter came from the ATO. We know that the Treasurer has failed the integrity test, because all of the evidence—from the media, from the court system, from the tax office and, most importantly, from his closest cabinet colleagues—proves it. Some of the most significant or-
ganisational people in the Liberal Party in the last 30 years have all dobbed the Treasurer in. They have left your poor standards exposed. They have provided information which proves that the Treasurer fails the integrity test. No area of government administration could be more important to all Australians than that appointees to the Reserve Bank board have integrity and independence. The Treasurer has compromised that independence massively, which is why we are seeing such a massive cover-up and such great embarrassment, and that is why the Liberal Party cabinet room is leaking like a sieve.

It was instructive earlier today when the Treasurer began his speech to this motion. There were fewer than 15, maybe a dozen, Liberal Party backbenchers in the chamber—probably just a few more than would fit in a Tarago van. What all of this demonstrates is not only that this Treasurer is unfit for the high office of Treasurer but also that he is unfit to lead the Liberal Party and unfit to be Prime Minister of this country, which is why the Treasurer should be censured. (Time expired)

Mr ABBOTT (Warringah—Leader of the House) (3.52 pm)—In defending this censure motion I am certainly only too happy to attack, for instance, the member for Lilley, who knows all about failing the integrity test, as the Shepherdson inquiry well knows and as he himself admitted when he said he had been handing brown paper envelopes to Democrat candidates. I am happy to attack him as part of defending this censure motion. I am happy to attack the Leader of the Opposition, as his predecessor said, in a way which is now well known: ‘a big, bellowing cow’ in the parliament will never fool the Australian public. And didn’t we see more evidence of that from the Leader of the Opposition today? But, most of all, in defending this censure motion I am proud to stand by my friend and colleague the Treasurer of Australia, to uphold his integrity and to assert that he is quite simply the best Treasurer this country has ever seen.

This is the Treasurer who has given Australia the lowest interest rates in 40 years, the lowest unemployment in 30 years, the lowest inflation in 40 years and the highest sustained growth in 50 years. This is a Treasurer who has delivered in spades to the Australian people. Why have we seen such hysteria from members opposite? Why have we seen...
such consistent attacks on the integrity of the Treasurer over the last week—a week when so many far more important issues for the future of our country could have been debated? We have seen these consistent attacks on the Treasurer because he is successful, and they hate him because he is successful.

We saw an interesting insight into the real mentality of members opposite yet again in Labor’s forbidden book, the diaries of the former Leader of the Opposition, who knows them like no-one else knows them. He said of Beazley, the Leader of the Opposition, that the only active thing he has done is to bludgeon off Costello’s work repairing the budget. That is why they hate this Treasurer—because this Treasurer has been successful and they have not been able to touch him for 10 years, and for 10 years they have bludged off his good work. This is an outstanding Treasurer who has delivered to the people of this country unprecedented prosperity. Not only has he been an outstanding Treasurer but he has been a great deputy to a fine Prime Minister. He has been an essential ingredient in the best government since Menzies. I am proud to defend this good man, this great man, this fine Treasurer and this outstanding deputy leader of our party.

The central allegation of members opposite is that the Treasurer knew that Mr Gerard had a $150 million tax scam and yet, despite knowing about this alleged $150 million tax scam, the Treasurer appointed him to the board of the Reserve Bank of Australia. Mr Speaker, it is quite interesting, isn’t it? What do we mostly get from members opposite when they talk about ministers in this government? Normally, ministers in this government, including the Treasurer, are supposed to be inept, incompetent, ignorant and badly organised, and now—transformation!—this Treasurer is supposed to know about every document that has ever been lodged in any registry in any court anywhere in Australia. And why is this Treasurer supposed to know about all the documents that have ever been lodged in any court registry anywhere in Australia? He must have known because on 28 March 2003 the Adelaide *Advertiser* reported ‘Gerard takes the taxman to court over a bill for $70 million’. That is fully 10 days after the cabinet appointment.

The Leader of the Opposition, that ‘big, bellowing cow’, according to his predecessor, says, ‘Oh! The Treasurer gets a press clipping service.’ The Leader of the Opposition gets a press clipping service too. If it was so obvious that one must instantly rush down to the South Australian Supreme Court registry and check every document, why did the Leader of the Opposition, that incompetent fool, not go down and do precisely that? Did he perhaps not want to uncover this scandalous misdeed, this scandalous ineptitude, of the Treasurer? Come on! Why didn’t he—

*Opposition members interjecting—*

**Mr ABBOTT**—Oh yes, he was so distracted, wasn’t he? He was so distracted fighting the war, good old Bomber Beazley was so busy fighting the war, that he had no time to read the Adelaide *Advertiser*, and he certainly had no time to go and consult the documents at the registry of the Supreme Court of South Australia.

This Leader of the Opposition really is a beauty. He said today that the Treasurer had conducted the appointment of Mr Gerard in a ‘fog of no knowledge’. We had plenty of knowledge of Mr Gerard. We knew that he was the managing director of a firm that employed 3,300 people in South Australia. What is wrong with employing 3,300 working people in South Australia? We knew that he was the Chairman of the Royal Adelaide Hospital Redevelopment Appeal Committee. We knew that he was an Officer in the Gen-
eral Division of the Order of Australia. We knew that he was South Australian of the Year in 2000. We knew that he had been awarded the Australian Export Hero Award. We knew that he had the Civic entrepreneur—

Opposition members interjecting—

Mr ABBOTT—You knew, did you? Why didn’t you say something then? Why didn’t this idiot say something if he knew about it? If it was so obvious, why didn’t he say something about it?

The SPEAKER—Order! The Leader of the House will resume his seat. I remind the Leader of the House that the use of the word ‘you’ is to be strongly desisted from.

Mr ABBOTT—I am certainly sorry about that, Mr Speaker, and I will endeavour not to repeat my error. We did know about Mr Gerard. We knew that he had been Australian Entrepreneur of the Year in 2004. We knew that he had been a president of the Australian Chamber of Commerce and Industry. We knew that he had every qualification to go on the board of the Reserve Bank of Australia, and that is why he was a perfectly worthy appointment to that board.

We have from the Leader of the Opposition and the member for Lilley all these claims in parliament today that it beggars belief that Ron Walker, the Treasurer and Mr Gerard were not sitting around the wood-panelled rooms of Menzies House discussing each other’s taxation affairs. Again, let me refer to the forbidden book of the Australian Labor Party written by the man who knows exactly what goes on inside their party and inside their heads. He said:

On any given day, dozens of Labor politicians would be on the phone gossiping, plotting and spreading rumours about their so-called colleagues. Nothing was off-limits. Personal and private matters were seen as fair game ...

He said, ‘A secret society of smear and smut.’ That is what he says about the Australian Labor Party. Just because members opposite are like that, they should not assume that is the way the Liberal Party of Australia operates.

Today we had a disgraceful attempt by the Leader of the Opposition to verbal the Prime Minister of this country. It was probably the only part of his contribution that had not been typed out for him in advance, no doubt by Bob Ellis or one of the other people that he now uses to put words into his mouth. He said that the Prime Minister had said it was entirely possible that he had discussed Mr Gerard’s circumstances with the Treasurer. That is not what the Prime Minister said at all. What we saw today was just another example of the true nature of the Leader of the Opposition. He runs around this country pretending to be big, jolly Kim, pretending to be everyone’s best mate and pretending to be a decent human being who unfortunately occasionally has to get down and dirty because that is politics. What did his predecessor say? What did the man that he was trying to make Prime Minister just 12 months ago say? He said:

People think Beazley is a big angel, but behind the scenes he is in the gutter. He and his allies reflect the worst instincts of the Labor movement: all gossip and muck.

Didn’t we see example after example of that from the Leader of the Opposition today? The fact is we have seen from members opposite today and, in fact, all of this week more evidence of the intellectual bankruptcy of the current Australian Labor Party. We have been discussing important issues in this parliament this week: industrial relations reform to set this country up for the prosperity over the next two decades and Welfare to Work reform to try to ensure that more people enjoy the benefits of that prosperity. We have been talking about protecting this coun-
try against those who would do us harm. And what have we seen from members opposite? Scandalmongering, dirt, gossip, muck—everything which so typifies members opposite, in the judgment of their former leader. It is not just their former leader who is thoroughly sick of this. I notice that the member for Melbourne is not in this chamber to support the Leader of the Opposition or to support the member for Lilley. The member for Melbourne knows better. In today’s paper, he says:

What frustrates me is that people all too often mistake standing up to the Howard government for idealism.

Mr Fitzgibbon interjecting—

The SPEAKER—The member for Hunter is on very thin ice.

Mr ABBOTT—I commend the member for Melbourne for a rare flash of honesty and insight amidst the scandalmongers opposite. He goes on:

Without a serious reform agenda to make Australia a better and fairer society, we cannot win, and don’t deserve to.

I say ‘Hear, hear’ to the member for Melbourne. It would suit the long-term political interests of the Leader of the Opposition much better to actually take the member for Melbourne seriously. But, no, the Leader of the Opposition loves scandal, because each day he can talk about so-called scandal, each day he can stand up in this parliament with his confected anger and every day he can bellow and rage in this parliament. He puts off the day when he has to come up with a few ideas for the future of our country. He loves scandal because it puts off developing policies and it puts off the challenge of reform. No-one knew this better than the former Leader of the Opposition. Members opposite should all have this forbidden book in their Christmas stockings this year—in fact, I am tempted to make sure that they all have The Latham Diaries in their Christmas stockings. On page 118, he said:

I’ve listened to hundreds of his—the Leader of the Opposition’s—speeches now and not once have I heard anything interesting ...

He says:

... the big difference between him—Beazley—and Keating and Whitlam ... he’s a boredom machine ... he’s always dumbing down the debate.

What is the substance of the Leader of the Opposition’s attacks on the Treasurer? Has the Leader of the Opposition or the member for Lilley been able to demonstrate that the Robert Gerard appointment put interest rates up? No. Have they been able to demonstrate that the Gerard appointment caused unemployment to rise? No. Have they shown that this somehow caused inflation to blip? Of course! I want to say this: members opposite have run around this place over the last week or so saying that the Treasurer has been facing his first real test—for the first time he has had the blowtorch applied to his belly. I know the Treasurer, I have seen the Treasurer: he has passed this test magnificently and this censure will fail.

Question put:

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

The House divided. [4.11 pm]

(The Speaker—Hon. David Hawker)

Ayes........... 57
Noes........... 83
Majority........ 26

AYES

Adams, D.G.H. Beazley, K.C.
Bevis, A.R. Bird, S.
Bowen, C. Burke, A.E.
Burke, A.S. Byrne, A.M.
Corcoran, A.K. Crean, S.F.
Danby, M. * Edwards, G.J.
Mr Howard—Mr Speaker, I ask that further questions be placed on the Notice Paper.

QUESTIONS TO THE SPEAKER

Questions in Writing

Mr Price (4.16 pm)—My Speaker, I seek your assistance under standing order 105(b). On 6 September this year I asked a series of questions in writing of the Minister representing the Minister for Justice and Customs in this place—namely, questions Nos 2241, 2242, 2243 and 2244. As more than 60 days have elapsed, I ask you to write to the minister, asking him to explain the delay and to provide the answers to my questions.

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

Mr Rudd (4.17 pm)—I have a question to you, Mr Speaker, concerning the interpretation of standing orders. Earlier today I raised a point of order in question time about a question asked of the Minister for Foreign Affairs. That question did not contain within it the usual phrase, ‘Are there any alternative views?’ The foreign minister embarked upon an answer to that question, which ranged...
over a number of alternative views. As you will recall from question time, I asked you to rule on that. You indicated that you could not because the foreign minister had sat down. I ask you, Mr Speaker, if you would reflect on that. This situation occurred earlier in the week as well. If the government are going to indulge in that sort of partisan behaviour in question time, through the manipulation of questions of that nature, at least they should own it explicitly in the questions they ask.

The SPEAKER—I thank the member for Griffith. I think, as has been the practice, when a member moves to take a point of order on relevance, which I believe is what the member for Griffith nodded when I asked him, and the minister sits down, it is taken that the matter has been ruled on by the minister’s action.

Question Time

Mr RUDD (4.18 pm)—I have a further question to you, Mr Speaker, with respect to your answer to the previous one. That was not the question I was asking you just now, which was: what is your future interpretation of the standing order which relates to a minister answering a part of a question which has not been asked, particularly in the circumstances when the minister ranges over Labor Party views but has not been asked for alternative views? That is the question I have asked you to deliberate upon.

The SPEAKER—I thank the member for Griffith. Clearly the occupier of the chair has to rule on the question of relevance on particular answers as they are being given. As the member for Griffith would be well aware, occupiers of this chair have always found that, if ministers are making an effort to be relevant, it is difficult to rule on that matter. But where a minister clearly does stray I will, as my predecessors in this chair have always done, endeavour to bring the minister back to the question or ask that they resume their seat.

AUDITOR-GENERAL’S REPORTS

Report No. 20 of 2005-06

The SPEAKER—I present the Auditor-General’s Audit report No. 20 of 2005-06 entitled Regulation of private health insurance by the Private Health Insurance Administration Council.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ABBOTT (Warringah—Leader of the House) (4.20 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.

MATTERS OF PUBLIC IMPORTANCE

Howard Government: Defence Management

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

The Government’s incompetent management of Australia’s $17 billion Defence budget, as evidenced by the 2004-05 Defence annual report.

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 McCLELLAND (Barton) (4.20 pm)—This government lauds itself on its national security credentials. Indeed, I think it fair to say that the Australian defence forces are the favourite backdrop for ministerial photos. They are probably the most commonly featured backdrop for the Prime
Minister, the Minister for Defence and others. The reality is, however, that a cursory examination of the Defence annual report for 2004-05 shows that our Defence Force is in a state of financial crisis. The mismanagement has now gone on for four years. For four years Defence have produced only qualified accounts; indeed, the mismanagement is now to the point of being illegal. This is the second year in a row that the Auditor-General has found that the Department of Defence are in breach of section 48 of the Financial Management and Accountability Act 1997. We will wait to see whether they get a hat-trick. The financial management of the Department of Defence is a disgrace.

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Mr Snowdon—If they were an Aboriginal organisation they would shut them down.

Mr McCLELLAND—There is no doubt—I pick up on my friend’s comments. Indeed, the Auditor has found that once again the financial mismanagement that he has detected is, to use his word, ‘pervasive’ within the entire account. For instance, with respect to inventories, the Auditor-General said that ‘due to inadequacies in the department’s general stores inventory management practices, I have been unable to validate the general stores inventory of $1.294 million.’ He goes on:

This is as a result of the material weaknesses in the internal controls over the stocktaking and accurate recording of ... inventory quantities, and a lack of ... documentation and systems controls to confirm and safeguard the accuracy of pricing data.

In fact, those inaccuracies and errors and the complete incompetence total some $7.4 billion of unaccounted matters in the report. That is $675 million in addition to the inventory. It is $675 million in terms of a question about the value of explosive ordnance, $2.722 billion with respect to repairable specialist military equipment and $896 million with respect to the value of accrued ADF and Public Service annual leave entitlements.

That is $7.4 billion out of a budget of $17 billion. In terms of the massive Commonwealth expenditure that the Department of Defence absorbs, it is equivalent to 5.7 per cent of total government expenditure. The government lauds itself on its national security and financial management credentials. We are talking about a $7.4 billion black hole in one department. That is 5.7 per cent of the government’s expenditure unaccounted for and, indeed, the subject of illegality—as the Auditor-General has found.

The inadequacies of financial management are shown by the annual report. In terms of the staffing issue—accounting for annual leave—they are reflected, concerningly, in the rates of recruitment and retention. This is in the context of media reports that suggest that the government is likely in the coming week to announce an intention to increase our defence forces by some 2,500 personnel. All I can say is that, if you read the last few annual reports, unless they fundamentally change their practices they have my hope and Buckley’s of achieving that. For instance, the annual report shows that last year there were 4,934 personnel enlisted in the ADF. That sounds all very well and all quite pleasing. The reality is that that is 658 fewer than in the previous year. In terms of reserves, the enlistment declined from 22,154 to 21,968. In fact, as against the target for recruitment by 2010, last year was only 77 per cent of the target—a nine per cent reduction on the previous year. It is actually going backwards.

At the other end of the equation, in terms of separations, we are again seeing unacceptable figures. There is a separation rate—that is, people leaving the armed forces—of 12 per cent in the Navy; 13 per cent in the Army and eight per cent in the Air Force. In the
ADF overall it was 11 per cent. Concerningly, we are losing officer-level members of all forces. In the Navy we lost 178, in the Army we lost 349 and in the Air Force we lost 277. This is effectively the middle-management capability. If there was a corporation that lost that middle-management capability—the capability that we are losing from the ADF—that corporation would be in real trouble.

We are in a situation where our responsible officers are increasingly having their tasks diverted to try and address the financial mismanagement that has occurred. We have seen the operational tempo increase in circumstances where they are likely to confront additional training responsibilities, with the government intending to recruit more members. They are going to be under tremendous pressure, and unless the government recognises and does something about that we may very well lose that high-class middle management of our officer level within the Defence Force—and we probably will lose them unless there is a reversal in strategy and policy. This mismanagement, both financially and in respect of recruiting shortfalls, is having an effect on capability. If anyone is in any doubt of that, all they need to do is have a look at chapter 4 of the annual report. Time and again we see performance outcomes only partially achieved because of deficiencies in equipment and personnel numbers, particularly in the skilled trades.

For instance, we can take an example of the object of capacity for medium combined arms operation—one would think this was pretty well the core of the traditional Australian digger. In terms of the benchmark of 12 months warning and 90 days readiness, we found—as the annual report shows—that the medium combined arms operation capability was unable to meet all allocated preparedness requirements for military response options in this reporting period. Deficiencies in equipment, personnel numbers in key trades and commitments to operations affected preparedness levels for the same option. In respect of training, core skills and professional standards, again we see personnel shortages in a number of key trades, and equipment deficiencies continuing to affect the achievement of some core skills. In terms of ground based air defence capability, we found that ammunition deficiencies and personnel shortfalls in critical trades affected levels of preparedness for sustaining all military response operations. In terms of protective operations that have a role in domestic security, we again saw a failure to achieve targets due to deficiencies in equipment and personnel shortages in all trades.

It is a shame that the professionalism and capacity of our service men and women, which I think is universally regarded—it is certainly internationally regarded; indeed, the comment is often made that our service men and women play well above their weight—is not reflected in any assessment of government policy. If you want an objective analysis of that, you have to go to our closest ally, the United States. The United States Department of Defense each year presents to Congress a document entitled Allied contributions to common defence—in other words, the significance of the alliance. The document measures the United States’ assessment of a country’s share of total contributions to military operations relative to its ability to continue to contribute. That figure is then expressed as a ratio. A ratio of between 0.8 and 1.19 indicates that a country’s contribution is roughly in balance with its ability to contribute. A ratio of 1.2 or greater indicates ‘substantial contributions’ relative to a country’s ability to contribute. Ratios below 0.8 indicate ‘a very low effort’ relative to a country’s ability to contribute.

Given the government’s claims that it is a prime ally of the United States and is de-
voted to the United States alliance, where do you think we would rate? Would we rate 1.2 or greater—that is, ‘substantial contributions’ to the alliance? With the exception of one criterion, Australia’s contribution was rated by the United States as being ‘a very low effort’. For personnel provided for military operations, we were rated at 0.56. For on-ground combat capability, including tanks, artillery and attack helicopters, we were rated at 0.33—less than half the measure of ‘a very low effort’. For air warfare contribution, we were rated at 0.74. For naval supply transport and support ships, we were rated at 0.57. For the provision of transport aircraft, we were rated at 0.45. For tanker aircraft fuel offload capacity, which includes fixed-wing air-to-air refuelling aircraft, we again received less than half—just 0.38. The only area where we achieved more than ‘a very low effort’ was the funding share of our defence compared to gross domestic product. Here we were rated at just 0.87—that is, 0.7 above the minimum criteria. The inescapable reality is that, if Australia were being chosen on the basis of its military contribution to the overall alliance, it would be left on the bench every time. There is much to be done to rebuild the military capability of our defence forces, and that will not occur until we address the mismanagement and recruitment difficulties that are being experienced.

I want to make a few comments about these figures and how the United States assesses Australia in terms of our military capability. As Mark Thomson from the Australian Strategic Policy Institute has mentioned, given the assessment by the United States of our military contribution, one has to wonder whether the significance of our participation in Iraq has more to do with political imagery than with actual military contribution. Let us look at the government’s strategy in Iraq. The Minister for Foreign Affairs gets up here every second day in question time and accuses us of having various points of view on Iraq. But the fundamental thing is that, from the point of view of service men and women—the personnel—they are entitled to know the estimated time of their return to Australia. That is commonsense; that is fair play. Whatever the difference in political views, any basic military exercise requires a mission statement and the identification of benchmarks for measuring when that mission is going to be achieved.

So much was said about this by the United States Senate that the Republican majority called on the United States administration to set some benchmarks and to report on measures to achieve those benchmarks. Why? So that the Iraqi administration—the ‘brave Iraqi administration’ that was referred to by the Prime Minister today—know that they have not got an open chequebook and that they have not got an open-ended time line. It is so that they know that they have to get their own house in order, resolve the inter-necine factional fighting that is occurring in the country, accept responsibility for their own administration, get their act in order and accept responsibility for their own security. This is what the United States Senate is saying.

The reason the government is not setting a mission statement or benchmarks for Iraq is that—and we are being unavoidably led to this conclusion—the government’s mission is to satisfy the domestic political audience of the current administration, because they cannot satisfy the military requirements of a decent alliance partner. And they will continue to fail to satisfy the requirements of a decent and competent alliance partner until they sort out the financial mess. (Time expired)
this MPI by the member for Barton with regard to Defence’s financial statements. It is true that in 2003-04 and 2004-05 the Auditor-General was unable to conclude that defence financial statements were a true and fair statement of the financial position. However, it needs to be understood that this is technical accounting. The reality is that cash has not been called into question and that budget management has not been called into question. In the exhaustive process of audit and investigation by both Defence and the Australian National Audit Office, it is technical accounting. It relates to uncertainties in the balance of financial items like leave balances, the value of land and buildings, the value and amount of inventory and so on.

There is a significant remediation effort being undertaken at present, spearheaded by Ric Smith, the Secretary of the Department of Defence. He is certainly one of Australia’s most senior and respected public servants. He is being advised by a financial statements projects board, which includes accounting and audit experts from across public and private sectors. The Auditor-General has recognised this significant remediation program. In fact, in a letter to the Minister for Defence in November 2005 the Auditor-General stated: “Noteworthy progress” has been made in remediating the findings. He also stated that he observed a strong commitment by Defence management to implement the initiatives outlined. In fact, in 2004-05, $65 million has been committed to this remediation task and there is another $77 million expected to be spent. But, more than that, the Auditor-General said that he thought the plans to address this task were as good as he had seen in 30 years in the Public Service. The officer who leads ANAO’s work on Defence financial statements described the plans as, ‘If not the world’s best practice, then close to it.’ Defence has some technical accounting challenges but the reality is that its cash management and budget management are sound and, importantly, these remediation efforts do not impact on the efficiency of Defence.

I would now like to move to some of the statements made by the member for Barton, but first I would like to go to the nub of this matter. The 2005-06 defence budget is $17.5 billion. We have increased that by $507.3 million. The government believe in a combat focused, well-resourced, mobile and operationally ready Defence Force and I am going to show that, in the years the Labor Party ran Australia’s Defence Force, they ran it down, but I will get to that shortly. We believe in adequately funding defence and our budget commitments reflect that.

I want to go to personnel for a moment. The member for Barton mentioned personnel challenges. One of the reasons for that is that this government has the lowest levels of unemployment in 30 years. It is a very challenging environment. We have booming resource industries and they provide a significant employer attraction for young people in Australia. So it is a very competitive environment. But, I tell you: Defence is going to get out there and present itself as an employer of choice. We have a comprehensive approach: our 2003 strategic work force planning review. It presents a 10-year future outlook. We have a defence work force plan which outlines the risks for us in attracting young people. We have a defence people plan which mitigates against those risks, laying out strategies and resources. We are increasing our operational numbers compared to our non-operational numbers. We are using contractors more, as we did in forward logistic support for the Solomons, and we are utilising our existing work force better. If you have highly skilled people, you want to use them in the areas where they are fully skilled, so we are adjusting career structures and employment options. We are looking at
more flexible employment practices. We are going to increase the number of reserves and better resource them, and we are going to use technology for manpower where we can.

One example of this is the very comprehensive approach Navy has adopted to our weapons electrical engineers and marine engineers. We have innovative short-term approaches, and medium- and long-term approaches to retaining our engineers. Australia is short of 30,000 engineers. There are 30,000 young people who did not go into engineering, so it is a challenge not only for defence but for every other major employer of engineers in Australia.

Mr Danby—That is what TAFE is for.

Mrs DE-ANNE KELLY—TAFE—perhaps we will leave that. Engineering is actually done as a Bachelor of Engineering.

Ms Gambaro—You should know.

Mrs DE-ANNE KELLY—I should know because I am actually an engineer myself. I will leave you to check on that yourself; I will not embarrass you any further. That is what we are doing in Navy and they are spearheading retention initiatives. The member for Barton is right, by the way: the retention rate at present is running at 11.6 per cent. But I would remind the House that it rose to 13.2 per cent when the Leader of the Opposition was the Minister for Defence. Do not tell us about retention. You ran it down, you drove people out of defence and we have improved the results.

I would like to return to some of our other initiatives through Navy as an example of the short- and long-term initiatives being taken. We are now paying bonuses not based on rank but on competency of anywhere between $5,000 and $15,000 to ensure that young people have an immediate reason to remain in the defence forces. But that is only short term. There are far more complex reasons that people might choose to leave the defence forces. I might add that remuneration is not one of them. We have looked at lifetime learning, so for these young people we are paying their fees to attend the Institute of Engineers. We are ensuring that they have chartered professional engineering status. We are assisting them in producing better outcomes such that they can benchmark their qualifications against those in the civilian work force. If they want to do perhaps a master’s in engineering or further study, we are supporting that. We have found that those are the factors that drive people in the longer term to stay with an employer, but it is going to take some time for all of that to work through the system.

I would like to go to the overall view of defence. Under this government, defence is now viewed very highly in the wider population. Confidence in defence has gone up 14 points to 82 per cent from 1995 when the Labor Party was in government. There is no doubt that our defence forces are well regarded. They are one of the most respected institutions in this country.

I would like to turn to the comments that the member for Barton made about our allies and point out that, had the Australian people not demonstrated the remarkable shrewdness and commonsense that they are known for at the last election, we now would not have an
US ally. The then Leader of the Opposition, Latham, who was put up by the Labor Party, wanted to ditch the US alliance. How dare the Labor Party come into this House and talk about our ally the US! We would not have had one had you gone into government, but thank goodness the Australian people are a lot smarter than that. They are very good at seeing through a fraud, and they saw through who was then being put up as the alternative prime minister by the Labor Party.

This government respects and works hard to retain the US alliance. Yes, we have great regard for our US ally and we are very proud, with our Defence Force, to serve alongside them, but I want to make some comments about Australia’s Defence Force under the Labor Party. Labor abolished two regular infantry battalions and replaced them with a Ready Reserve battalion, but they forgot that they had legislative constraints: they could not deploy them overseas. So they got rid of two infantry battalions and replaced them with Ready Reserve battalions that could not leave Enoggera!

The defence of Australia was focused entirely on the defence of our coastline—not that a portion of that is not appropriate. This government ensures through NORFORCE and NORCOM in Northern Australia that the defence of our coastline retains its integrity. But Labor did not address the realities of our strategic environment. They ignored defence related implications of our relations with Indonesia, PNG, Fiji and the Solomon Islands. Under the Labor Party, there would not have been the capacity to mount the East Timor operation. The running down of the Australian Army under Labor would have compromised the government’s ability to mount and sustain the INTERFET operation in East Timor. So do not talk to us about our allies: we would not have been able to even carry out peacekeeping operations, to have gone into the Solomon Islands in our regional Pacific responsibilities.

The Labor Party can come in here and criticise some technical accounting as much as they like but the reality is, when they had the opportunity to run Australia’s defence forces, they ran them down. I want to quote from the Sydney Morning Herald in November 1994:

The federal government—this was the Labor government—will this week claim its post-Cold War peace dividend and downgrade the priority of defence spending to its lowest level since the Vietnam War. The defence budget is $9.63 billion. The defence department had been urging the government to guarantee spending, but senior government sources said yesterday that the Minister for Finance,—

Who would that have been, I wonder? Who was the Minister for Finance then?

Mr Beazley, had rejected this plea. When the opposition leader had the opportunity to support Australia’s Defence Force and ensure additional funding, he rejected their plea. The article went on—it is very interesting:

Although Beazley is now finance minister, any serious attempt on his part to improve defence productivity would have to confront the fact that he left behind a departmental labyrinth containing more than 90 committees.

That was Defence: run-down, underresourced, ridden with committees, and the finance minister, Mr Beazley—who now purports to be knowledgeable about defence—rejected their pleas for additional funding.

This government regards our defence forces very highly. We take our strategic responsibilities very seriously. We have brought down a record budget for defence. We ensure that our young people can go out to serve Australia’s national interest. I had
the privilege of seeing 6RAR off on their sixth rotation into Iraq. I took the opportunity to have a talk to some of those young people. By gee, they make you proud. I asked them whether they had volunteered; yes, they had—they were all volunteers. I asked them why, and they gave me two answers to that. Firstly, they had the best kit they had ever had. They were confident of their equipment, whether it was the ASLAVS or their gear, and they said, ‘We’ve got the best gear.’ Second, you know what they said? ‘We want to see the job done.’ They did not cut and run like the Labor Party proposed before the last election. These young people want to see the job done.

Listening as we did this morning on radio to that brave man who spoke at the trial of Saddam Hussein, and when we see the horror that those people experienced under a tyrannical government and a murderous tyrant, we now realise what a right decision it was. There was a weapon of mass destruction in Iraq: it was Saddam Hussein. When you look at what people suffered, I am extremely proud—and I am sure every member of the government is as well—of what this country has done under this government with our courageous Australian defence forces to go in and ensure that there is going to be democracy, peace, prosperity and opportunity in Iraq. This government ensures that we are supporting our defence forces. They are combat focused, well resourced, mobile and operationally ready, and we are extremely proud of them. I reject the motion put by the member for Barton. The Labor Party had their chance with Australia’s defence forces and ran them down. (Time expired)

Mr DANBY (Melbourne Ports) (4.51 pm)—It is hard to think of a matter of greater importance than the defence of Australia, and therefore I am very pleased to support this matter of public importance put forward by the member for Barton. Defence is one of those core constitutional responsibilities of a federal government. In fact, together with immigration, the need for Australia to provide its own defence was the issue that most concerned leaders of the movement for Federation in the late 19th century. Now the member for Barton repeats the words of the Auditor-General that there is the issue now of pervasive inadequacy of the Department of Defence’s accounts.

Our modern ADF has a proud record. In the first Gulf War it played a key role in the liberation of Kuwait from Iraqi occupation. In Cambodia, in East Timor and in the Solomons it has helped our regional neighbours deal with various crises and has helped put those nations back on their feet. In Afghanistan it has played a vital role in helping the Afghan people establish their first ever democratic government. And weren’t we proud after the 2004 tsunami of the role the ADF played in Aceh in Indonesia? In Iraq our intervention has been very controversial. No one doubts, however, that the ADF has carried out its assigned tasks with great efficiency and humanity. It is a pity the political leadership of the intervention in Iraq has not been so well handled. Nevertheless, Labor supports our forces where they are deployed on operations.

The demand of the current world situation on our defence capacity is increasing and is likely to go on doing so. The jihadist insurgency in our region is likely to go on for many years and there is talk of an Australian defence deployment in the Philippines. More than ever, therefore, Australia needs an effective, modern defence capability. But today the ADF is in crisis, and after nearly 10 years in office this government cannot avoid its responsibility for that crisis. The government is happy to commit our forces to a range of tasks, from catching illegal immigrants off our coast to protecting Japanese engineers in Iraq, but has consistently failed to give the
ADF the resources it needs to carry out these tasks and to carry them out as safely as possible. It has failed to ensure that ADF personnel and their families get the pay and conditions they deserve and need to make their service and its actual and potential sacrifices worth while.

Now this government’s chickens are coming home to roost. Not enough people are joining the ADF and not enough people are being retained in the ADF to keep our defence numbers at the levels they need to be if the ADF is to carry out its wide range of tasks. The ADF’s Report of the strategic workforce planning review stated that ‘Without policy change, the ADF population in 2010 will be 48,500’ and unable to achieve its growth targets in the Defence white paper 2000. I do not know where the government thinks it is going to get the extra 2,500 people it imagines will be in the defence forces or the 1,500 for the extra battalion that it is envisaging. The ADF is already suffering from 1,000 personnel shortages, and we have what are called hollow rifle companies.

The Australia Defence Association recently commented sharply on the ADF personnel crisis. In its recent editorial in Defender, the Australia Defence Association said:

Personnel, and their families, feel increasingly crushed between the current operational tempo—which has been decided by this government—insufficient numbers and wider society standards and expectations.

To deter ... wars effectively the defence force of a democracy needs to reflect its parent society as closely as possible. What we have forgotten is the reverse side of this truism. Defence force remuneration and conditions of service cannot be allowed to get too far out of step with reasonable community norms.

In other words, the ADF is being asked to do too much with too few people, often with old equipment and a general level of pay and conditions that leaves them much poorer than many other Australians. No wonder some of them feel unappreciated by Australian society. No wonder the ADF cannot meet, year after year, either its recruitment targets or its optimal retention rates.

It might seem amazing to most Australians that, when our annual defence budget is $17.6 billion, we cannot afford to provide pay and conditions that encourage people to find satisfying careers with the ADF without adversely affecting the economic wellbeing of their families. There are a number of reasons for this. First of all, as the pool of 18- to 30-year-old potential recruits declines and as an increasing proportion of them are going to university and pursuing other careers, the ADF has to compete with many other career options. Appeals to the patriotism and a sense of adventure in young Australians are no longer enough. ADF personnel must be paid what they are worth for their level of skills and commitment and to compensate for the high level of disruption to family life that service in the Defence Force entails. Plainly the government is not doing this. Second, there has been a running sore of the problem of abuse, victimisation and discrimination within the ADF. All modern defence forces have to change their internal culture to adapt to the influx of women into all branches of the services and also to the pluralist nature of modern Australian society. This government has been too slow to deal with this problem of abuse within the Defence Force, and I think that contributes to the problem of recruitment and retention.

Third, there is a distorting effect on the ADF budget of the Iraq commitment. The merits of this commitment are a debate for another day, but its consequences for the defence forces have been very clear. Iraq has so
far cost Australia $1.2 billion, with no end in sight, and this government, as always, has tried to do things on the cheap and in the process it has bled the rest of the ADF white. The ADF is overstretched and underresourced. That is why we have not been able to keep our commitments in Afghanistan, which all sides of politics in this House support. Fourth, this government continues to misuse the resources of the defence forces for the interception of illegal immigrants and now illegal fishermen in our northern waters. The RAN has of course carried out these domestic security tasks with its usual uncomplaining efficiency, but these are not appropriate tasks for the Navy. Such tasks are for a coastguard, and a dedicated, properly equipped and trained coastguard would be able to carry these out more cheaply and effectively than the RAN does.

Fifth, and most importantly, this government has squandered hundreds of millions of dollars on poorly thought out spending on capital equipment. A good example is the upgrade of the M113 armoured personnel carriers. These vehicles have been in use since the 1960s. Under half of them are undergoing a major upgrade to improve their capabilities, at a cost of $388 million. The Australian National Audit Office has found that the project has ‘undergone extensive scope changes and chronic schedule delays since its inception’. The Defence Force is yet to receive any of these upgraded vehicles and they are not expected to begin entering service until 2006 at the earliest. The last vehicle is expected to be received in 2010. Basically, people are riding around in armoured vehicles that Normie Rowe was in in the 1960s.

Even worse has been the saga of the Sea-sprite helicopter, which, as this House knows, has been the subject of many current affairs programs. The government has so far paid out $900 million, but we have yet to see one fully functional helicopter. We now learn that these second-hand helicopters, built 40 years ago, do not have operational missile systems. They cannot fly for more than 20 minutes if they have a missile on board. We learn that the only way to extend the helicopter’s range is for it to carry more fuel in place of the missile. We learn that the government is paying out millions of dollars for the operation of a service centre when we still do not have any helicopters to service. So the Australian taxpayer is paying over $900 million for second-hand helicopters which are at least five years late and do not have the operational capacity we want.

To conclude, in supporting the MPI proposed by the honourable member for Barton let me say that the most urgent need of Australia’s defence is greater investment in the recruitment and the retention of ADF personnel. Instead, this government has actually cut off the Defence Force Recruiting organisation. It is harder to think of a more shortsighted action. Labor wants to see Australia with a Defence Force that young and talented Australians who want to serve this country and help our friends and neighbours will be keen to serve in. The Defence Force annual report 2004-05 shows this government is not delivering that. It will be a priority of the next Labor government to redress this legacy of neglect. If this government cannot face up to the issues of retention and recruitment that it has caused, to the issues of pay and conditions that are necessary to retain good members of the defence forces and to the issues of the Auditor-General’s report then it will not have a Defence Force that is operationally capable, which is what this country needs. I commend to the House the MPI proposed by the member for Barton.

Ms GAMBARO (Petrie—Parliamentary Secretary to the Minister for Defence) (5.00 pm)—I am very pleased today to be speaking to the MPI on the defence budget proposed
by the member for Barton. Though I have enormous respect for the member for Barton, the shadow minister for defence, I must say that I am rather perplexed by some of the comments he has made with regard to today’s MPI. On many occasions when I represent the Minister for Defence, the member opposite—the member for Barton—attends with me and we see a fine, dedicated Defence Force of men and women. From my viewpoint it is certainly not just a photo opportunity. They are well resourced and well supported by both the secretary to a fine department and the CDF—both the previous and the current CDF. The real test is our responsiveness to international disasters. The member for Barton, the shadow minister for defence, knows only too well that Australian soldiers have been able to demonstrate their capacity and their professionalism. Within 36 hours of the news of the tsunami last year defence had dispensed personnel and emergency supplies to Indonesia. We were on the ground. We were there doing what we are best trained for. Defence personnel play an enormous role in our humanitarian and defence efforts around the world. They can do this only with an integrated, coordinated response and the support of a good department.

The member spoke earlier about some accounting difficulties, as did the Minister for Veterans’ Affairs and the member for Melbourne Ports, but there are some things I want to place on the record. Defence has enormous portfolio holdings and enormous assets. We are talking about $54 billion in assets, which includes $31 billion in specialist military equipment and $11 billion in land, buildings and assets, as well as infrastructure plant equipment worth $5 billion and inventories worth $4 billion. In that mix is heritage, and my area of responsibility includes the Defence Housing Authority. Last year alone achieved earnings before interest and tax were $82.3 million, compared to $74.2 million in 2003-04, and DHA’s net profit was $66.9 million—some $26.5 million above target. Defence housing continues to provide high-quality housing to our defence men and women—so much so that it was given a AA plus rating. We should really celebrate the achievements of DHA, the wonderful work that they do for defence men and women and the support they provide to families with the relocations and constant moves they have.

There have been a number of issues mentioned here: our government’s commitment, our successive budgets and the defence white paper 2000. The government have met those commitments in successive budgets, and we are continuing to deliver in those time frames. On 1 July the Defence Materiel Organisation was prescribed as a separate agency under the FMA Act. A new capability development group has been established, and this will ensure that capability is assessed with a whole-of-life focus. The new two-pass approval process has been implemented and a revised defence capability plan is with the government for consideration. This follows the government’s recent consideration of the strategic update and the hardening and networking of Army proposal. We have had a number of members speak about retention, and the minister earlier spoke about the review into retention.

Defence has made significant improvements in budgeting processes, despite the constant accounting issues that it faces. Earlier I spoke about the enormous amount of money involved in assets and infrastructure. There has been a new budgetary framework put in place. There have been new business rules, which I want to point the member for Barton to. There have been directives to the secretary, Ric Smith, who does a fine job. Also, the CDF and the CEO of DMO are putting into place things that are reflecting the performance levels expected of them.
There are also charter letters to the defence chiefs and the group heads, setting out the performance levels expected of them and their organisation. In turn, there is a requirement for them to set out in individual performance agreements how those individual and organisational bases are being progressed.

The defence budget is reviewed monthly by the defence committee, and adjustments are made to that budget to ensure that defence optimises capability and the resources that are allocated to it. The new disciplines introduced by defence have favourably commented on the government. Also, defence has no cash management issues. That is illustrated by the work done in costing and resourcing operations, where the defence department’s record is first rate. The Minister for Veterans’ Affairs spoke earlier about that.

I want to put this on the record, and it has been mentioned before: defence has achieved its cash budget targets over the last three years, and we should not lose sight of that, and there is every indication that defence will continue to do so. There have been new work force planning disciplines introduced. We have a 10-year work force plan, which has been fully costed and fully resourced, and a new project. Life-support costing techniques have improved the quality of information that is provided to the government.

I would like to also comment on the savings target set by the government as part of the 2005-06 budget, applied through the efficiency dividend. By instilling a culture of economy, defence has tried to redirect resources to where they are most needed. There have been reductions to the civilian and professional service provider work forces, and efficiencies have been delivered through the business improvement processes.

Ms GAMBARO—Earth shattering speech! There have also been improvements to service delivery, which contribute to savings targets. I will continue on despite being in darkness. I want to emphasise that there is nothing that is not transparent about the Department of Defence. We are continually going through the review and adjustment process. We are trying to improve all those resource allocations through capability, repairs and maintenance work and inventory holding. Despite the enormous obstacles ahead of me, I will try to continue on.

We have much to be proud of our Defence Force men and women. We are working towards improving our accounting records. There have been enormous improvements in depreciation and inventory management. There is some way to go, but the department is developing some top-class accounting practices and standards that will continue to improve in the year ahead. The secretary to the department has made significant progress with 16 major remediation projects, which will continue to reduce the uncertainties, particularly in balance sheet items such as cash receivables and revenues from government land and buildings. We have made significant progress in reducing some of that uncertainty, but there is some way to go. In the short time available to me, I want to congratulate the department on the work that they have done so far on this process, and I know that they will continue to make improvements to the Australian National Audit Office process.

The DEPUTY SPEAKER (Hon. IR Causley)—Order! The discussion is now concluded.
Mr BARTLETT (Macquarie) (5.10 pm)—by leave—I move:

That the orders of the day for the resumption of debate on the motions to take note of the following committee reports each be referred to the Main Committee for debate: Family and Human Services—Standing Committee—Overseas adoption in Australia: Report on the inquiry into adoption of children from overseas; Agriculture, Fisheries and Forestry—Standing Committee—Report—Taking Control: A National Approach to Pest Animals and Procedure—Standing Committee—Reports—A History of the Procedure Committee on its 20th Anniversary; and Procedures Relating to House Committees.

Question agreed to.

Condolence: Hon. Peter Francis Salmon Cook

The DEPUTY SPEAKER (Hon. IR Causley) (5.11 pm)—I have to report that the order of the day relating to the Prime Minister’s motion of condolence in connection with the death of the Honourable Peter Francis Salmon Cook has been debated in the Main Committee and is returned to the House. I present a certified copy of the motion. I understand it is the wish of the House to consider the matter forthwith. The question is that the motion moved by the honourable the Prime Minister be agreed to. I ask all honourable members to signify their approval by rising in their places.

Question agreed to, honourable members standing in their places.

The DEPUTY SPEAKER—I thank the House.

Mr Price—Mr Deputy Speaker Causley, I know what the current situation is with the lighting, but are there prospects of getting full lighting into the House? If not, do you have any course of action that you may propose to take?

The DEPUTY SPEAKER—I am not sure about the current state of the electricity in Canberra, but the lights do take a period of time to come back on after they have been dimmed. I can only assume that, given a period of time, the lighting will return.

COMMITTEES

Treaties Committee Report

Mrs MAY (McPherson) (5.12 pm)—On behalf of the Joint Standing Committee on Treaties I present the committee’s report entitled Report 70: Treaty tabled on 9 November 2005: UNESCO International Convention Against Doping in Sport.

Ordered that the report be made a parliamentary paper.

Mrs MAY—I seek leave to make a short statement in connection with the report.

Leave granted.

Mrs MAY—Report 70 contains the findings and recommendation of the committee’s review of the UNESCO International Convention Against Doping in Sport, which was tabled in parliament on 9 November 2005.

On 4 November 2005, Senator the Hon. Rod Kemp, Minister for the Arts and Sport, advised the committee that he had written to the Hon. Alexander Downer MP, Minister for Foreign Affairs, to request a national interest exemption for the proposed treaty action. Minister Kemp indicated that early ratification would allow Australia to have the convention in place prior to both the commencement of the Turin Winter Olympics in February 2006 and the Melbourne Commonwealth Games in March 2006.

The committee also received evidence at its public hearing that all countries that have
signed the convention are moving to ratify it before the end of the year. The committee has aimed to table its report on the convention early to allow Australia to ratify the convention as soon as possible, even though under the committee’s 20-sitting-day period for inquiry, the committee would not be required to report until May 2006.

The United Nations Educational and Scientific Cultural Organisation International Convention Against Doping in Sport is designed to eliminate doping in sport and to harmonise international antidoping practices to ensure all athletes are subject to a comprehensive and fair testing regime. The convention was drafted in response to the Copenhagen Declaration on Doping in Sport, a non-binding agreement that recognises and supports the World Anti-Doping Code. The code provides an international framework for antidoping measures and regulations.

The convention is an internationally recognised and legally binding agreement obliging member states to implement the World Anti-Doping Code in their jurisdiction. The convention obliges member states to: adopt measures, which may include legislation, regulation, policies or administrative practices, to give effect to the obligations in the convention; restrict the availability of prohibited substances or methods to athletes, including by taking measures against trafficking; facilitate doping controls and support national testing programs; withhold financial support from athletes or support personnel who violate antidoping rules; and withhold financial support from sporting organisations that are not in compliance with the code. Australia already takes a tough stance on antidoping in sports. Australia’s obligations under the convention are met through the Australian Sports Commission, which requires sports in receipt of government grants to have code-compliant antidoping policies, and the Australian Sports Drug Agency, which carries out its current drug testing program in accordance with the code.

In 2006, in line with the Australian government’s 2004 policy, Building Australian Communities through Sport, and its commitment to strengthening its Tough on Drugs in Sport strategy, it will establish the Australian Sports Anti-Doping Authority. The authority will investigate doping allegations, present doping cases before sporting tribunals and take over the policy development, approval and monitoring role of the Australian Sports Commission. In addition, the authority will assume the functions of the Australian Sports Drug Agency and the Australian Sports Drug Medical Advisory Committee. Australia is also assisting countries in the region to be convention compliant by establishing the Regional Anti-Doping Organisation that will be based in Fiji. The Regional Anti-Doping Organisation will include 11 Oceania countries and will be funded by the World Anti-Doping Agency. The committee supports Australia’s role in this project.

In conclusion, the committee believes it is in Australia’s interests for the treaty considered in Report 70 to be ratified. I commend the report to the House.

Mr RIPOLL (Oxley) (5.16 pm)—by leave—I am pleased to be able to make a few remarks in relation to the Joint Standing Committee on Treaties’ Report 70 containing the review of the UNESCO International Convention Against Doping in Sport. The Copenhagen Declaration on Doping in Sport, as the predecessor of the convention, was a non-binding agreement, widely accepted internationally, which incorporated and supported the World Anti-Doping Code. The convention, a formal binding agreement, was drafted as a result of the Copenhagen declaration and is designed to stop doping in sport and to unify antidoping practices internationally.
The committee received evidence that in Australia the code is enforced in individual sports and that the AFL complies with the code. Interestingly, both the code and the convention provide for the broadening of the antidoping effort internationally, as they both make reference to sub-elite athletes in respect of education—in particular, ensuring that information and education on antidoping measures and practices reach a much wider and much younger group of athletes.

The committee was advised by Senator the Hon. Rod Kemp that a national interest exemption would be sought from the Minister for Foreign Affairs on the grounds that Australia wished to ratify the convention prior to the commencement of the 2006 Turin Winter Olympics and the upcoming Commonwealth Games in Melbourne. The committee has shortened its review period for the convention in view of the upcoming 2006 Commonwealth Games and Winter Olympics but has stated that the use of the national interest exemption should only be invoked where the committee would be unable to report on a particular treaty in time to meet the Australian government’s ratification schedule. I commend the report to the House.

Mrs May (McPherson) (5.18 pm)—I move:

That the House take note of the report.

Debate adjourned.

HIGHER EDUCATION SUPPORT AMENDMENT (ABOLITION OF COMPULSORY UP-FRONT STUDENT UNION FEES) BILL 2005

Second Reading

Debate resumed from 5 December, on motion by Dr Nelson:

That this bill be now read a second time.

Mr Brendan O’Connor (Gorton) (5.19 pm)—I rise to oppose the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005 and support the amendments fore-shadowed by the opposition. In opposing this bill, I indicate my concerns about the politically motivated intentions of the government to silence students at the campus level. A number of arguments have been raised by government members as to why this bill is meritorious. Some members have referred to the need to defend the principles of freedom of association; others have talked about other incidental civil libertarian consequences if we do not allow people to join particular associations. Last night, the member for Ryan mentioned the fact that the Monash Association of Students somehow involved themselves in funding a terrorist organisation. I am not sure whether or not those claims are true. However, it seems to me that government members will rationalise or defend the attack on student associations for all sorts of reasons, except for the true ones, and we know what the true ones are.

This is a very small-minded government and a very vengeful one. It seems to me and to other members on this side of the House that the government is not interested in reaching a reasonable compromise in relation to this policy area. If it were concerned about funding political activities on campus, the government would accept the amendments to be moved by the deputy federal leader of the Labor Party in this place and the shadow minister for education. The government would accept those amendments, because the amendments—and it is not our original position, I might add—have been put in place to say: ‘Okay; enough of the student politics. Let’s focus on the need for student services for students across the country.’ It is true to say that in this debate the Labor Party have moved to protect and defend the basic entitlements that students require in everyday life at the student level. That has been our position and the compromise to our original
position. That is not to say that I do not hold the original position as a better one. It is to say that we have sought to reach a compromise.

What has the government done in this regard? It has failed to accept a reasonable compromise and it has failed to listen to its own backbench—in particular, the members of The Nationals—who have insisted that the bill, if enacted, would badly affect services in campuses across Australia, particularly in regional campuses, whether it be services to students needing housing and accommodation, services facilitating employment opportunities or services providing child care for students wanting to advance themselves whilst ensuring that their children are properly cared for on campus. Those services are essential for many students if they are to gain their degrees. It seems to us on this side of the House that the government has no regard for those students, because it is blinded by its hatred and its enmity towards what it views as unions.

I spoke in the last parliament—on 12 August last year—on a similar bill. I indicated then that the Minister for Education, Science and Training should be spending more time focusing on increasing the participation of students in higher education and increasing the quality of education in our institutions rather than fighting old student political battles. There may be some reason why the minister for education has to engage in this ideological pursuit. When he was a student he was associated with the Labor Party. The minister for education was not a Liberal—he was not a home-grown Tory at all; his view was that the Labor Party was more his party. He has had to do a lot of changing on that side of the House. This might be some form of initiation process for the minister for education and a show of how ideologically absurd he can be in attacking associations that he actually thinks are unions—associations that provide care and services to ordinary students across the country.

The minister for education has to earn his stripes if he wants to be seen as an ideological warrior on that side of the chamber. It is for that reason that his position has been more irrational, absurd and extreme than most members—indeed, I would say, privately, most members of the government. It is the minister for education needing to prove once and for all that he is no longer a supporter of the Labor Party; that he now is, indeed, a lover of kicking students or anyone else who dissents. He wants to show that anyone who speaks out against the government will get a walloping and that he is in for it as well. He is in for an attack against people who choose to stand up and disagree with the government. He wants to show his backbench that, on his road to Damascus, he has truly converted. He wants to show that he has truly converted from being a Labor supporter to being a fully-fledged ideological warrior and a hater of unions—indeed, beyond that, a hater of student associations.

It is no different with the Treasurer, who I have not heard comment in this debate. He has had enough on his plate this week and indeed last week without involving himself in this debate. The Treasurer, of course, as we know, was associated with the Labor Club at Monash. He was clearly then someone who had not made up his mind. That is perfectly okay. You can reach a point in your early 20s and not know where you stand politically. Clearly the Treasurer at that point in time had no idea where he stood in relation to choosing either the Liberal Party or the Labor Party. I am glad for our side that he chose to join the Liberal Party.

When he was the chairperson of MAS in the seventies the Treasurer was not going
around talking about removing fees that would provide services to students; he was telling people he was close to Labor and he would involve himself in the Labor Club at the campus level. He was actually receiving a wage at the Monash Association of Students—the SRC for that campus. He was part of the body politic of Monash. He was not just a person who might have been receiving services; he was involved in politics at the campus level. Clearly, like the minister for education, the Treasurer has had to consider his position and, in his public record in regard to these matters, he has become virulent in his attack upon students.

It is a very vengeful thing to turn your back on students the way both of them have. They were both recipients of a free education, of course, and are now big supporters of increasing HECS beyond the reach of most ordinary students and introducing $100,000 degrees into our educational institutions. These two ministers of the Crown have clearly shown their capacity to turn when it suits them. In this regard they have had to prove themselves.

The member for Indi wants to fight old wars. She never won any at Melbourne University, so she thought she would bring the Commonwealth of Australia into student politics by legislating student associations out of existence. That is one way, I guess, to win an election. What it shows is the small-minded vengefulness of this government—a government that is arrogant and out of touch with ordinary students’ concerns about the services they need. It is a government that has no regard for anyone who ever shows any dissent to any decision they make in education or indeed any other area of policy at the Commonwealth level.

That is what we have seen from the government in this debate and in initiating this legislation. It is a government that wants to silence dissent and pay back students for not supporting them. It is also a form of penance, given the former histories of the minister for education and the Treasurer, who in their student days associated themselves with the Labor Party and the Labor clubs and now want to prove that they are great ideological warriors of the Right, willing to knock anyone who does not support the orthodoxy of the government.

The shadow minister for education, the deputy leader of the parliamentary Labor Party, has asked the government to seriously pull back from their ideological pursuits and to consider the consequences of services being adversely affected, on regional campuses in particular. I know that is really felt by The Nationals in this place. I understand that The Nationals in this place are very concerned about the way in which students in their electorates will be affected. There has been heavy lobbying by them, and I know there has been heavy lobbying by Liberal Party members of the government who do not believe that this is a fair bill. Even Senator Joyce—someone who chooses, more often than not, to speak out against something but vote for it—has one of the two matters right. He speaks against legislation and votes in favour of it, more often than not, but he has quite rightly raised concerns about what will occur in the regions of this country.

The Minister for Education, Science and Training wants to line up to be Deputy Prime Minister when the resolution, if ever there is one, between the Treasurer and the Prime Minister takes place. We know that this aspirant, the minister for education, is looking to move that step higher and assume the role of Deputy Prime Minister. We understand that is his interest. What he could do is show those backbenchers in the government who are concerned about the pernicious consequences of this bill that he actually has a heart. He could show that he has some con-
cern about services that will be denied as a result of this legislation and, as a result, agree with the opposition that the position we have put is a reasonable one.

It is not our original position, but it does one thing: it takes the student political dimension, which seems to be the obsession of the government, out of the equation and focuses on the services. I think it is a little ironic how many former student politicians on the other side of the chamber want to abolish the body politic that they involved themselves so heavily in. However, taking that out for the moment, we would be able to reach agreement on funding for services if the government could see their way fit to say, ‘Yes, we do have these differences of opinion, but we don’t want to see services removed from campuses or, if not removed, affected adversely.’ I am talking about services such as food and beverages, meeting rooms, sport and physical recreation, child care, counselling, legal advice, health care, housing, employment, possibly some library areas that are not fully funded by universities but are funded by the student fee, the personal accident insurance for students that is currently in existence on some campuses, cultural activities, welfare and so on. There are many more I could add; there is a significant list of services that students require in their everyday life.

It is very churlish, to say the least—vindictive is, I think, more accurate—of the government to pursue this vengeful attack and to involve itself in campus politics. To use this chamber to attack student politicians seems to me a little overwrought, a little heavy-handed. It is an example of a government who, as I said earlier, is willing to hurt anyone who chooses not to agree with it on any given policy. It is, I guess, another example of a government that is out of touch and is exercising its full political will in order to destroy, if possible, its opposition or those it sees as its opposition in society. It would be an unfortunate day if this bill were to pass and be enacted in law.

Mr LINDSAY (Herbert) (5.34 pm)—I remind the member for Burke that it is actually the Australian people who agree with the government’s policies.

Mr Brendan O’Connor—It is Gorton. I changed seats.

Mr LINDSAY—Of course; I apologise. The case for passing the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005 is compelling. While we heard the former speaker, the member for Gorton, use all sorts of adjectives which we recognise as waffle words, I intend to use some facts. Let me start with a family member of mine who is doing a PhD. She does not live in Australia. She is doing a PhD at James Cook University in Townsville, my home city, but she is based in Asia. She never goes to the campus and never gets a single benefit from the student association, but she compulsorily has to pay the same fee as anybody else who attends James Cook University. That is wrong. Blind Freddy can see that that is wrong, yet the Australian Labor Party rails against that—against students who get no services but have to pay.

I am very interested in the view of the Australian Vice-Chancellors Committee on this issue. This is an issue that we have debated for some years now in this parliament. The government’s position has been well known, yet where have the AVCC been on this issue? The answer is that, until recently, the AVCC have sat comfortably on their hands and just assumed that their mates in the Senate—the Australian Labor Party, the Greens and the Democrats—would vote it down. Of course, that has been the situation. The AVCC never foresaw the possibility that the Australian people would give this gov-
ernment the majority in the Australian Senate, and even when that happened last year the AVCC still sat on their hands. They did not think through how they might contribute to the debate in a thoughtful and meaningful way.

So at one minute to midnight we all received an email from the AVCC saying: ‘Gee, we’d better do something about this. Here’s our proposal.’ The proposal is, of course, flawed. Point 3 in their proposal says:

University is not, and should never be, simply about a student attending academic classes. It is about developing the whole person, academically, socially and culturally.

Where did that come from? We do not do that in the TAFE system. TAFEs do not have a view that they are responsible for developing their students socially and culturally—because they do not have that responsibility. It is the students’ responsibility to develop themselves in those sorts of areas. The AVCC are off the planet in suggesting that.

Point 4 says:

Passage of the Higher Education Support Amendment (Abolition of Compulsory Up-front Student union fees) Bill in its current form would be the death-knell of many essential services on campuses throughout Australia. They also said that other universities could not fund services that could be ‘maintained at their current level and affordability’. That did not happen in Western Australia. There is a very significant body of evidence and a track record to show that when VSU was abolished in Western Australia the world did not end, the services continued to be provided. In fact, more services were provided because the student associations had to be responsive to the needs of the students so that they could get students, of their own free will, to decide to pay a student association fee. The problem that exists currently is that something like 85 per cent of all students who go to uni simply never use the services of the student association, and yet they are compulsorily required to pay for them. That is wrong.

Point 5 of the AVCC’s email has the AVCC calling on:

... Parliamentarians to seek an amendment to the current Bill to allow universities to charge a student services and amenities fee. This will ensure that Australian university students continue to have a rounded educational experience that academically, socially and culturally better equips them for competing in the global workplace. Gosh. What is their answer to the issue of sporting facilities on university campuses? In my campus in Townsville more outsiders use the sporting facilities than insiders.

Mr Kelvin Thomson—So why do you want to wreck it? Why would you want to wreck it, then?

Mr LINDSAY—Why should students have to pay for outsiders to use a sporting facility? Why? The member for Wills cannot explain that.

Mr Kelvin Thomson—Why would you want to damage the facility for use by outsiders?

Mr LINDSAY—Why would they? Because—

The DEPUTY SPEAKER (Mr Baldwin)—Order! If the member for Wills wants to be the next speaker I suggest he control himself, otherwise he will see himself out of the chamber.

Mr Kelvin Thomson—Did you hear what he said?

The DEPUTY SPEAKER—Don’t back-chat to the chair.

Mr Kelvin Thomson—He provoked me.
The DEPUTY SPEAKER—Don’t you dare backchat to the chair, or you will see yourself out of the chamber.

Mr Kelvin Thomson—I rise on a point of order, Mr Deputy Speaker.

The DEPUTY SPEAKER—What is your point of order?

Mr Kelvin Thomson—I was provoked by the member for Herbert. I was simply responding to something he expressly addressed to me.

The DEPUTY SPEAKER—The member has been in this House long enough to know not to respond to speeches and interjections.

Mr Lindsay—Of course that is not a valid point of order. It is not right that students on a university campus have to pay for sporting facilities used by outsiders of that university campus.

The AVCC has this proposal:
Universities should be able to determine the level of any student services and amenities charge set as a condition of enrolment.
That is an open-ended chequebook. What if the students do not want any services? Have the AVCC thought about that? Go and talk to students on a campus and say, ‘Do you want to pay a student union fee?’ ‘No,’ 85 per cent will say. But the AVCC are so out of touch that they want to see students compulsorily paying a services and amenities charge as a condition of enrolment. They go on to say:
Universities should levy differential fees for part-time and external students consistent with their likely access to and usage of the services and amenities provided.
Thousands of students never, ever go near a campus. There was the example I gave of an overseas student. It would be very difficult to have a meaningful differential fee levy.

Point 4 says:
Student services and amenities charges should be used solely for—

among other things—
childcare ... sporting, artistic, cultural ...

Why? The majority of students do not use those services. Why should a student be compulsorily required to pay for an artistic service? I had a student from a campus in Sydney email me very upset with the government’s position on this, saying: ‘Look, I run a theatre type thing and I get that funded by the student association. I want my employment to continue.’ Why does an engineering student have to pay for that? There are compelling reasons why this bill has to go through the parliament.

Key points in this bill include that students will no longer be forced to belong to any form of student association—that is good. Students will not be forced to pay for services that they do not value or utilise—that is good. Student organisations which offer services valued by students will continue to attract student membership and funding but on a voluntary rather than a compulsory basis—that is good. Students will benefit through services which are better focused on meeting their needs, and that is what happened in Western Australia—and that is good. Why are the government prohibiting compulsory membership of student associations? Because we are strongly committed to the principle of freedom of association through Australian society, and to choice. The great fourth-term agenda of the government has a fundamental underlying principle of choice. Wherever that has been implemented, Australia has done better. The legislation will ensure that students are no longer forced to pay for things which they do not value or use.

I have heard members of the opposition say in this parliament that the government is against student organisations, and I hasten to say that that is not so. We are not against student organisations, just as we are not
against unions. We are pro-choice. Students should be free to organise, to develop representative structures and to undertake advocacy on behalf of other students, but they should do so on a voluntary basis.

The AVCC has circulated lists of services and amenities currently being supported by student services fees. Listen to this: student theatre; concerts; campus radio and television; travel service; trips and tours; discount ticketing; cinemas, theatres and art galleries. If you are a struggling student trying to put yourself through university, why should you be subsidising those sorts of things? It is wrong and the government believes it to be so, which is why we have this bill in the House this evening.

There is the problem of misuse of student funds, of which there are very many and recent examples. I draw attention to the Melbourne university student body. In 2002, it spent $213,910 of student funds in legal fees—which indicates that something is very wrong. For voters, it spent $100,000 on food vouchers and other costs to fund its student elections. What a racket that is, but it is students’ funds. Look at the prices for food items—where student associations are supposed to be helping their members—at a Sydney metro uni campus and compare them with those off campus. You will find that a union member at this particular uni pays $2.50 for a pie, but at the shop next to the university they pay $2.25. Students on campus pay $2.30 for a coffee, but at the shop next door they pay $1.80. Students on campus pay $6.50 for a chicken kebab, but at the shop next door they pay $5.40. How can you sustain a system that says to students, ‘You will compulsorily pay to have student association services that are dearer than those in the market’? It is ridiculous. Not even the Labor Party could argue sensibly for that kind of situation.

I turn now to the political use of student funds. Under the compulsory fee regime, it is almost impossible to prevent student funds being used for political activities without student approval. In 2004, in the lead-up to the federal election, the National Union of Students spent $¼ million of student funds on political campaigns basically running the line ‘put the Liberals last’. How many students on campuses throughout Australia want their hard-earned money being spent on political campaigns? I can tell you that I won the booth at the James Cook University, where more people wanted to vote Liberal than wanted to vote Labor. But their money in student association fees was being spent on a Labor campaign and they had no say about it. That is wrong. This bill will address that and that is why the Labor Party is so uncomfortable.

In Queensland, currently $25 million each year is being taken from Queensland undergraduate students through compulsory student unionism. Across Australia, the figure rises to over $150 million a year. In my patch, the James Cook University, which charges a fee of $275 a year, is taking $2.24 million from its students to fund the student association. But this year the James Cook University Student Association put out this particular media release. Jessica Weber, president of the student association, said:

Voluntary student unionism forces student organisations like mine to be responsive to the real needs of students, rather than putting millions of dollars into the hands of student politicians.

This is the student association speaking. She goes on:

For too long now students have been forced to prop up unions that in many cases have only represented the needs of a minority of its members and have a track record of being nothing more than youth training camps for young members of the Labor Party and the Greens.
Too true. So here we have a moderate, sensible student association president backing the government’s position being presented to this House tonight. Well done, Jessica. I saw the words of Eric Abetz, who is not backward in coming forward on this matter. He said:

Thank goodness for the left and the university bureaucrats.

Without their self-declared superior knowledge and interference, naive students on campus left to their own devices might actually exercise freedom of choice and make decisions for themselves on the value of student unionism!

To save the potentially erring student from even contemplating not joining student unions, their all-caring solution is simple. Force them to join. Compel them to join. And if they still refuse, then deny them access to the library, or withhold their results.

Too true, Minister.

I was interested also to see that, when the NTEU held a National Day of Action earlier this year to protest against this bill, it was a non-event in Townsville, not even supported by the students or the staff. Nobody turned up. No-one had any message for the government on VSU. Clearly, students in Townsville do not want to pay compulsory, up-front fees and there is strong support for the government’s sensible changes.

Campuses are where many young Australians will develop their moral, ethical, political and personal value systems. Instilling the concept that compulsory membership or funding of unions is something that a government can impose against the free will of freethinking young Australians should be abhorrent everywhere, but especially on a university campus.

The Labor Party have not demonstrated in this debate any reasons why this bill should not proceed, but they have demonstrated their opposition. Why? Because it will further erode another of their power bases, artificially set up through compulsion rather than choice. I understand why the Labor Party are fighting this bill, but they are fighting it for the wrong reasons. They are fighting it for their own power base, not fighting it because they are representing the students of Australia.

The Howard government stand up for the students of Australia. We are determined to see that the majority, who do not want compulsory student unionism, are given that choice. I will end with this piece of philosophy, because it really indicates where the government is coming from: this week in the parliament of Australia we are seeing the era of collusion between universities and the radical edge of student politics drawing to an end. May it come quickly.

Mr KELVIN THOMSON (Wills) (5.54 pm)—The member for Herbert made an astonishing observation in the course of his remarks. He was concerned that the facilities of the James Cook University were being used by outside clubs and organisations. From his point of view, this was a bad thing. We have to ask ourselves: what would be the consequences of the member for Herbert’s proposal in relation to these facilities, which are being used by—as he described them—outsiders? The consequences of his proposal would be that these facilities would be closed. This would wreck James Cook University services. It is extraordinary to hear the member for Herbert proposing that we wreck facilities within his own electorate. Regrettably—he is now leaving the chamber—it shows just how out of touch he is with the needs of people within his own electorate, and it is indeed all too typical of his failure to represent his own electorate’s best interests.

Voluntary student unionism is in deep water. The Minister for Education, Science and Training, Dr Nelson, has proposed an alternative plan, a new plan, which would have
these proposals put to a student ballot in each campus at each postsecondary educational institution right around Australia. However, this proposal has been greeted with a great deal of opposition everywhere it has been put. Today the Financial Review described it as a ballot plan which ‘pleases no-one’. It is clearly a lemon from a government which is in disarray and out of touch. We had Liberal Senator Fifield, who chairs the government’s backbench education committee, describe Dr Nelson’s suggestion of a referendum on campus as ‘flawed, expensive and unnecessary’. One of the senators whose opposition Dr Nelson was seeking to overcome, The Nationals Senator Barnaby Joyce, dismissed this proposal as ridiculous and said it did nothing to allay his concerns.

That is not surprising, because the minister’s proposal is to ask the Australian Electoral Commission to oversee a ballot on campuses which would then bind each university for a number of years. He said this could be an option if the legislation, which is scheduled for Senate debate on Thursday morning, fails to pass the parliament. He is understood to have outlined about six weeks ago this idea of a campus-by-campus ballot right around the country on these changes to the backbench education committee, according to the Financial Review, ‘as he looked for a way out of the impasse’.

It is quite telling here that money is no object now. For months, if not years, we have had people on the government side complaining that, if we have these compulsory student fees, they will lead to a waste of money and they will subsidise services which cannot stand on their own two feet. But we now find that money is no object. The minister is prepared to have taxpayers bankroll the Australian Electoral Commission on an extraordinarily bureaucratic proposal involving ballots right around the nation.

This proposal was criticised by Senator Fifield, who said, ‘Students don’t need an Australian Electoral Commission referendum,’ and that they just want the legislation to be passed. The ballot proposal was also criticised by the member for Indi. She said it was totally inconsistent with the principle underpinning the legislation. So this is a clear sign of a government in disarray and out of touch.

We had the Chief Executive Officer of the Australian Vice-Chancellors Committee, John Mullarvey, saying that the ballot was a silly idea. It sounds a bit like that Monty Python sketch about going to Camelot, where they described it as a silly place. This is a silly idea, and Mr Mullarvey said it should be left to the council of each university to decide whether they would charge a fee.

Earlier this year we had the Education Services for Overseas Students Amendment Bill. The fascinating thing about that bill was that the government wanted to continue with compulsory student service fees for overseas students; whereas in its so-called voluntary student unionism legislation—the legislation we are debating now—it is attempting to prohibit them for Australian students. This is a truly remarkable piece of hypocrisy and contradiction.

When it comes to the area of full fees, the government says, ‘Overseas students have this opportunity to pay full fees. Australian students ought to get the same.’ But here we have a situation where the government is attempting to prohibit compulsory student fees for student services for Australian students, but it says that overseas students ought to continue to have those very same compulsory student fees. If the government wanted to adopt the same logic as it applies to fees for university courses, it would not allow this. It would not have a situation where there is one approach for overseas students
and a different approach for Australian students. When we ask ourselves, ‘Why is there a difference? Why is the government saying, “No fees for Australian students but fees for overseas students?”’ the answer is political. It is because this government wants to attack student unions and student services because of its ideological obsession with these things.

Voluntary student unionism is a combination of ideological fantasy and political payback by failed former Liberal student politicians. Way back in 1994, when the Kennett government in my home state of Victoria was trying to outlaw compulsory student unions, one of its advocates said:

Nobody wants to abolish the caff. Nobody wants to close down the toilets in the union building or whatever. These services will survive under a voluntary union. They will be better provided. They will be targeted more effectively at the students.

How ridiculous; how absurd! Maybe they wanted to introduce user-pays toilets. We used to have that kind of thing 50 or 100 years ago. I like to think that we have had some social progress since then and we no longer have to pay when we visit the toilet—

Mr Martin Ferguson interjecting—

Mr Kelvin Thomson—No, indeed not. That is the kind of bizarre logic that the advocates of voluntary student unionism have been putting forward. The people who developed the Higher Education Support Amendment (Abolition of Compulsory Upfront Student Union Fees) Bill 2005 are failed former Liberal student politicians. This is the third go they have had at it. Firstly, they tackled it in the courts, trying to have the universities prohibited from charging compulsory fees and from requiring compulsory membership of unions and associations. They were unsuccessful in the courts. Secondly, they tried to win by having students on campuses of universities and post-secondary educational institutions reject the idea of compulsory membership. It is a reasonable proposition. If a majority of students want membership of associations to be voluntary, then student unions should move in that direction. However, they failed to attract support amongst the student community to do that.

Now we come to their third idea, which is to use parliament to impose voluntary student unionism on student communities, regardless of whether or not they want them. This is the heart of this argument. Let me repeat: they want to impose voluntarism on universities. What a contradiction; what a piece of nonsense! We have the member for Herbert saying that this is about choice. Why are the member for Herbert and other government members prohibiting fees? By doing this, they leave universities and other post-secondary educational institutions with no choice at all. It is not about choice, as the member for Herbert claims.

Voluntary student unionism is no different in character from the voluntary payment of taxes, council rates or the goods and services tax. It is not compulsory unionism in an industrial relations setting. Theoretically, you could make council rates or taxation voluntary, but, if you make the payment of taxes like GST optional, frankly, no-one would pay them. You would have to pay someone else to construct the street and the footpath outside your house. You could hire private bodyguards instead of having a police force to keep you safe or a private investigator to recover your belongings if they were stolen, and so on. If you go back into the history of Victoria and Australia, you find that things worked in that way, but there were many problems with the voluntary payment of taxes, and so we moved forward from this—ditto with student unionism.
Student unionism goes back to before the turn of the century. It has a history that members of this government do not understand. It came into being to serve student communities because there was a need for the services they provide and because they represent, generally, better value for time and money than if individual students do all these things themselves. Student unions are set in place to establish things like bushwalking clubs, to build swimming pools and to develop various other services. By and large, they have done a good job.

This government has been trying to kill off student unions and their services. Howard government members say that campuses would be better off moving to a fee-for-service system, but the end result would be that less well patronised events, like theatre, dances and concerts, would disappear and universities and TAFE colleges would become sadder, greyer and duller places. That is why so many people oppose voluntary student unionism. Many people in the entertainment industry who got their start through union theatres and the like have come out savagely and strongly in opposition to voluntary student unionism because they understand the impact that a fee-for-service system would have on those activities. Actors like John Clarke, Magda Szubanski and Max Gillies and writers like David Williamson and many more got their start through student theatre, and they have all opposed voluntary student unionism.

Another area in which this legislation would hit hard is sport. Figures released by a group of eight university sporting organisations say that of the $40 million in student fees presently being spent on sport each year only 20 per cent would continue to be available if the Howard government were to proceed with its legislation. A $32 million cut—an 80 per cent cut—would deal a devastating blow to university sporting culture.

A point that needs to be stressed is that voluntary student unionism is about political payback from former student politicians. It is an attempt by the government to shut students up, to keep them passive and to keep them in their place. It is okay to have compulsory student services for overseas students, says the government, because presumably the government does not feel there is a risk of political activity there, but it is not okay to have compulsory student fees for student services for domestic Australian students.

This government is being egged on by former Liberal students seeking revenge after being perpetual losers in student politics. If it were not for the fact that during the Vietnam War the Liberal Party lost support within universities and post-secondary education institutions, and their people were unable to win student elections, we probably would not be having the voluntary student unionism debate. Their attitude is this: if they cannot win those elections, they want to kill off the whole institution—kill off all the student associations, student guilds and the like.

I believe in autonomy in relation to decision making in these things. I respect the autonomy of universities and their right to make decisions about these issues. The government does not respect the rights of individuals to make these choices. It tells universities, ‘You can’t have student associations that include everyone.’ We support and respect the autonomy of universities. If they want to make student bodies voluntary, that is fine with me. We respect their right to make those decisions. The government does not. It wants to impose voluntary student unionism on universities.

That Liberal Party rhetoric about voluntarism and choice is just so much propaganda. The government often accuses the Labor Party of being centralist, but it is this gov-
ernment that wants to impose its view of the world on bodies such as universities and councils. It has no respect for their autonomy. It is the same thing with industrial relations. The Work Choices legislation represents a centralist imposition of an outcome on the states and in workplaces.

We have heard the Minister for Education, Science and Training say that students should not have to pay for sporting facilities that they do not use or political causes that they do not support. I do not support our invasion of Iraq. I do not support the billion dollars which this government has spent on government advertising. When am I going to get my tax refund on these matters?

The area of voluntary student unionism has quite properly run into difficulties because of its lack of support from government senators. For example, Senator Eggleston, the government’s deputy Senate whip, suggested that the ban is driven by outdated, ideological student politics and that it is not appropriate to contemporary circumstances on our university campuses. He is absolutely right. We also note the concerns expressed by Senator Joyce. He may be able to play a role in voluntary student unionism being defeated and not going any further. I for one would welcome that.

I believe that the minister for education’s proposals for voluntary student unionism should crash and burn like a bogong moth in this building. Student services are very important, especially for new students—those who are young and new to campus—to enable them to get some of the campus life that comes with student services. It would be a great shame if those services were to disappear through this government pursuing what is an ideological agenda.

At another and perhaps more sinister level, this is a proposal from a government which is obsessed with power and intent on crippling any independent source of influence, authority or opposition. It is part of a pattern that includes attacks on trade unions and the abuse of parliament, all coming from a born to rule mentality and a manic determination to stamp out opposition from any and all quarters. As student organisations represent a source of criticism from time to time—we heard the member for Herbert complaining about student organisations in his area campaigning against him—the government’s view is that they must be crushed.

By way of contrast, bodies such as the National Union of Students have lobbied on higher education issues and criticised the former federal Labor government over the Higher Education Contribution Scheme. The difference between the Labor Party and the Liberal Party is that we are big enough to take this criticism and we do not try to kill off those who dissent. This government’s arrogance and authoritarianism is a display of a lack of tolerance and a lack of belief in pluralism.

Quite rightly, as a result of this attitude, the government has had opposition coming from within its own ranks. For example, the Victorian state National Party education spokesman, Peter Hall, said:

"We are concerned that if the proposed federal legislation goes ahead in its current form, it will have a serious and profound impact for students, particularly for those at regional campuses. There is a misunderstanding, I think, about what fees are collected and for what purpose."

Peter Hall is absolutely right in that matter. Similarly, the university vice-chancellors have expressed their concern about the impact of this legislation. Frankly, they know a bit about universities. This government could do worse than take some notice of them. For example, The Age reports the La Trobe University vice-chancellor, Michael Osborne, as saying:
The Federal Government’s controversial laws scrapping compulsory student union fees would ensure universities would become ‘wastelands’ lacking the facilities of decent institutions world-wide ...

The report continues:

... the legislation would impoverish universities, deterring international students as they ‘see Australian institutions becoming academic slums.’

Similarly, the ANU Vice-Chancellor said:

The Group of Eight supports the arrangements as they exist, whereby autonomous universities can charge fees to all students to provide services that are available to be used by all students. Not all will be used by everybody, of course: not everybody will play football or chess or need child care or legal advice or counselling or help with accommodation, essay writing skills, statistics or the rules of cricket.

Some services might be non-academic, but they help to ensure that campus life is a life and ... a community. Effective student associations and the representation they provide make an important contribution.

These university vice-chancellors ought to be supported rather than ignored. That is why Labor has foreshadowed amendments to this legislation. I urge the House to support those foreshadowed amendments.

Mr SCHULTZ (Hume) (6.14 pm)—It indeed gives me great pleasure to rise today to speak on the Higher Education Support Amendment (Abolition of Compulsory Upfront Student Union Fees) Bill 2005. This important legislation will prohibit education providers from requiring students to join associations or to pay on enrolment fees that do not relate directly to their courses. Those members of the House who know me would be aware that, for many years, I have been opposed to the practice of universities making membership of a student union compulsory. In many cases, membership of a student union can set back already struggling students upwards of $500—money which they should be allowed to spend on things that really matter to them. Many students who come from the electorate that I represent are struggling at university because they are from low-income families and from families who have struggled on the land for a significant number of years, and every conceivable dollar that they can muster to educate their children, in their view, should be spent on educating their children, not making compulsory contributions to student unions, which, in many cases, have been used inappropriately. I will come to that aspect of the matter very shortly.

This government has received numerous representations from individuals claiming that they have been forced to join and financially support a student association—and so have I, incidentally—when they are either opposed to its activities or indifferent to its services. In supporting the bill, I wish to make it clear that I do not accept the argument that students have a choice as to whether they enrol in university and therefore whether they associate with a student union. The primary purpose of universities is to provide tertiary education. The activities of the student associations are only an adjunct to that, even though they do contribute to the overall educational experience for many students. This bill, in my opinion, is a real step forward in ensuring that individuals in this country are given freedom of association and freedom of choice rather than having that association forced upon them.

As you would expect, there have been outcries from student unions all over the country about this bill and its alleged impacts. They have claimed its enactment will result in the destruction of student associations throughout Australia. They say that student associations are democratic organisations run by student-elected representatives to protect students’ rights and provide students with services. In a petition to the Sen-
that services and activities run by student associations provided inclusive, supportive and enriching experience essential to the university community. It said that a core function of student associations is to provide student representation on university boards and committees and to provide information, publications and student advocacy. In truth, students in this country should be given choice about by whom and how they are represented.

Evidence presented to a Senate committee inquiry—which I will talk about in a minute—into voluntary student unionism legislation suggested that many university students believed that student unions did not represent the broad views of the majority of students. Rather, it was claimed that the views expressed by student organisations were those of a dedicated group of activists. Surely it cannot be claimed that such a small group of students can accurately represent an entire student body and surely it cannot be right to force students to pay out money—which, as we know, is at a premium during a young person’s university days—to organisations that do not advocate their views.

The benefit of this legislation is that the real impact of voluntary student unionism would depend on the response of student associations and on the legitimate choices made by students. A proportion of the income currently collected as compulsory fees would still be available to student associations through voluntary payments, if student associations provided services that students truly valued. At present, the allowance for compulsory fees guarantees student associations a certain level of income, which they do not have to earn by providing the quality goods and services that students want.

The Senate Employment, Workplace Relations and Education Committee inquiry into voluntary student union legislation suggested that, for these reasons and more, some student unions were badly run and gave poor service to the majority of students. This is an understatement when you consider a media release dated 15 April 2003 by the National Union of Students. It is headed: ‘Students to join protest at Baxter: stop the war on refugees’, and it states:

The National Union of Students (NUS) has thrown its full weight behind the planned protest at the Baxter detention centre over Easter. Hundreds of students will be amongst the thousands expected at Baxter.

National Education Officer, Liz Thompson said: “A major reason students are protesting is to highlight student opposition to the shamefully racist refugee policies of the Howard Government. The hypocrisy of the government’s war on Iraq, at the same time as it locks up those fleeing oppression, even from Saddam Hussein, is clear to students. We will also be going to Baxter to express our solidarity with the detainees inside the detention centre.”

National Queer Officer, Rathana Chea said: “This Baxter protest is not just about refugees. It is about opposing the war on Iraq, and the money that could be spent on welfare instead of warfare. The billions of dollars this government is spending on the war in Iraq could pay for free university education, better health care and resettlement, not detention, of refugees. Queer students will be organised as a contingent, highlighting the different reasons that refugees flee from their home countries.”

I can understand members of the Australian Labor Party being vigorously opposed to this legislation. What I cannot understand is how members of the Australian Labor Party, or indeed any other Australian, could subscribe to the use of student union funds to sell a political agenda which many of the students—and I would say the majority of students—would not subscribe to personally or ideologically. When you look at some of the things that have been financed through this misappropriation or misuse of student fees, it
is not only heartbreaking but frightening in the extreme to think that this is the sort of activity that has occurred as a result of people’s funds being inappropriately targeted towards political campaigns.

Let me quote a few of those figures: $3,000 for criminal fines for students charged following violent protests at a campus last year; $6,600 in migration agent fees to fight the deportation of an illegal immigrant—so much for their commitment to Australia and to its security; $4,000 for buses to Baxter detention centre to protest mandatory detention; $3,000 for the Organisation of Women’s Freedom in Iraq; $3,000 for the Aboriginal tent embassy in Canberra; $700 for the Melbourne Stop the War Coalition; $6,600 for asylum seeker migration agent fees; $5,000 for entertainment costs at national protests; $3,000 towards Queer Women’s Network—in addition to the Queer Network and the Women’s Network; $1,000 for Faraok Isma’al of the Southern Oil Workers Union in Iraq; and $1,000 towards the 26 January ‘Invasion Day’, including transport to a corroboree for sovereignty.

This is the sort of nonsense that permeates the mentality of members of the Australian Labor Party and political activists within the student union organisation.

It is interesting to look back and read about voluntary student unionism and voluntary student representation. I will quote the following:

During the years 1993 and 1994, the Victorian and West Australian Governments attempted to fix the problems with student unions. The Victorian Government implemented VSR, with a view to stop the funding of political campaigns and ensure student services. Western Australia, on the other hand, followed the route of VSU to ensure that union fees were funded on a voluntary basis.

What was the outcome of those two initiatives? As far as Western Australia and the voluntary student unionism thrust is concerned:

The Court government at the time introduced VSU through the parliament in 1995. Those who opposed VSU prophesised an end to student services. In reality, services continued and improved as guilds needed to entice students to join. Overall, under VSU student guilds improved commercial services, increased benefits offered to guild members and significantly reduced membership fees to encourage a greater membership.

And what about the Victorian model: voluntary student representation?

Victoria’s model of VSR proved to be a failure. While membership of the union theoretically remained voluntary, a compulsory service fee was still levied on all Victorian tertiary students. Unions had no incentive to provide quality services, and indeed, Victorian student unions have been plagued with mis-management. Significantly, the largest Victorian student union, the Melbourne University Student Union, has been wound up after a bungled $44 million property deal.

That in itself is an indictment of the way in which union dues have been misappropriated. Let me now go to the majority report of the Senate committee inquiry, which I referred to earlier. Let me quote from the section entitled ‘Likely effects of VSU on clubs and sport’. Paragraph 1.37 states:

Sport and recreation is an adjunct to a university education. It is far from being ‘core business’, and indeed, a majority of students enrolled in university courses around the country would seldom if ever use the facilities provided by the sports unions. University sport is a good example of an activity which benefits a relative few at the expense of all students who pay to enter university. Whatever justification can be made for continued subsidy of services like counselling and advocacy could never be extended to include sport, because of its distinctiveness as an extra-curricula activity.

Paragraph 1.39 goes on:

If we take Monash University as an example, with each student paying $428 as a compulsory up-front services and amenities fee, over half of
this goes to unspecified administration costs and only 5.4 per cent—
I repeat: 5.4 per cent—
of the total goes towards sport. If students need sport, they are not getting value for money from the amenities fee.

As a member representing a rural constituency, I cannot believe that conservative members of the other place in this great parliament could be advocating anything that remotely looks like compulsory student unionism. I say that in the context that, if they are purportedly there to represent their rural constituencies, they obviously have not spoken to the young people who are going to university from rural and regional areas; they certainly have not spoken to the parents, as I said earlier, who are struggling to find the money to keep their young people at university—and I condemn them for it. If they think that, as a representative of a rural constituency, I am going to subscribe to that sort of mentality, they are sadly mistaken and I will expose them at every opportunity I get to their rural constituencies to highlight to the rural constituencies just how committed they are to them as rural members.

I think this legislation will be a breath of fresh air to those students who are opposed to compulsory unionism and up-front fees and it is certainly going to be a breath of fresh air to the majority of constituents in the electorate that I represent. I urge members of the House and our colleagues in the Senate to support the bill.

When the Melbourne University Student Union was wound up amid calls for a police investigation into its dealings, a report was released by the then liquidator, Dean McVeigh, who said:

... the union could face losses of more than $40 million. The losses include the fallout from a student housing lease deal, which auditors last year could bankrupt the union ...

A number of matters had been referred to police, the report said, and further investigation was justified. Mr McVeigh—
the liquidator—
also recommended investigation into corporate governance issues, including:
Awarding of contracts without appropriate approvals.
Falsification of records.
Conflicts of interest.

I do not think I need to go on any more, because it is quite obvious from historical facts centred around student unions that there is significant proof of the misuse of student union funds and that, more importantly, there is proof of misuse to the extent that students who were contributing to those organisations were unaware of the depth of the inappropriate use of those funds. Anything that the government of the day can introduce to ensure that those students we represent in our electorates have not only freedom of association, which is the very basis of this party that I am a member of, but, more importantly, freedom of choice, is positive. I liken this to a situation where, in a small country town, a group of people want to start up a rugby union club and they say to the ratepayers of that town, ‘Each one of you ratepayers is going to be in a position where you will compulsorily put up $20 or $30 a year to ensure that this rugby union team can get up and running.’ I know what the reaction of the ratepayers of any town in the electorate that I represent would be to that sort of pressure. I commend the bill to the House and I thank you, Madam Deputy Speaker, for the opportunity to put my views on the issue.

Mr RIPOLL (Oxley) (6.31 pm)—I rise to speak on the government’s Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005.
From the outset I would like to place on the public record my complete opposition to these measures. This should come as no surprise to members opposite, as I have opposed these measures each and every time the government has introduced similar proposals. The rationale for my opposition is simple: this bill has nothing to do with reform within the higher education sector in Australia and everything to do with petty politics—politics that are becoming more and more confused and divisive within the coalition. They themselves are split on this issue and have no idea what they are doing on it. Not only have they had a split within their coalition ranks; they have had to have the bill pulled before. It is an embarrassment to the Minister for Education, Science and Training and an embarrassment to this government. Every member on the government side who speaks on this bill should heed that embarrassment when they do.

The only way remaining to save university student services is to allow all universities to at the very least levy a compulsory fee for amenities and services. This is why Labor are proposing an amendment to this bill which would protect vital student services on our university campuses. This is a good, sensible amendment based on rational thought, not political bias. I would urge all in the House to accept this amendment in the spirit of supporting students. Under the Labor amendment a fee would be collected by universities for use on services for the benefit of students, but the amendment would outlaw compulsory membership of student organisations. We gave the government the way out: that is the reality. When push came to shove, we gave them the way out—that is, the opportunity to do the right thing for students in Australia. We said, if they were so intent on stopping student unions from merely collecting fees, why not let the universities do it? But it was to no avail. The efforts of the opposition to be constructive and positive in this debate were to no avail because the government are driven not by the best interests of students but by their own ideology and past petty politics. They are driven by their lost battles on university campuses many years ago.

No-one disagrees with students having the choice to join an organisation. No-one disagrees with that. We will hear the same humbug from coalition member after coalition member about freedom of choice and association. What a load of rot. They should actually have a closer look at what this bill is really about, rather than talk about old petty politics. The reality is that the minister could not win the vote in his own party room. If he could not convince those people, how is he expected to convince anyone else in Australia? Now he is going to try to go directly to the students with a ‘no choice is your choice’ type of proposition. So strong is the sentiment that an unprecedented community coalition has formed against the minister’s extreme legislation. Opposing this ridiculous bill are people ranging from coalition senators to vice-chancellors to students themselves to Olympians to actors and even to regional communities because it destroys essential services on university campuses.

The minister instead should be spending taxpayers’ money on more essential services, like providing more university places. Wouldn’t that be a good start? Wouldn’t that be a much better use of the minister’s high intellect? He profoundly puts his own place within the education sector and debate. Why not have some more university places instead of wasting millions of dollars on political campaigns to settle old scores from those heady student politics days of the 1970s? Minister, the seventies are over. Change the radio channel and catch up with the more complex circumstances of students in today’s world on today’s university campuses. The
education minister wants to use this vote to end the payment of fees for on-campus services—for things like counselling. The minister would say that is not essential. He wants to use this vote to end the payment of fees for on-campus services like child care. Who needs that? He wants to use this vote to end the payment of fees for other on-campus services like sporting clubs, welfare and legal services. There is a list as long as your arm.

Minister Nelson is blinded by his extreme ideology. No-one is advocating compulsory membership of student unions. That is a debate that belongs in the 1970s. I would say to the minister: ‘Get with the times. Get with the program. Understand the change that is taking place on our campuses today, not back when you were getting your free education at a campus courtesy of the taxpayer, with all the services in the world.’ We are not back in those days, because those days are well and truly gone. We must make clear the difference between compulsory membership of student organisations and the use of student fees to pay for vital services. No-one condones organisations which have failed in their fiduciary or other responsibilities in making a good, fair, equitable, accountable and transparent use of students’ fees. No-one debates those points. That is all you will hear from the coalition, though, because they are too busy with their own ideological bent. However, we have come to expect this from the government—no vision and no real reform; just petty politics.

In short, this bill aims to silence student voices and dissent. It is an attempt to silence some of the most vocal, strident critics of the Howard government—for that matter, critics of all governments. Student organisations have been highly organised in their campaigns against this mean and nasty government. This bill is all about political retribution and neutralising an important source of public comment on government policies, particularly in the higher education sector.

The Commonwealth government have an obligation to listen to their critics. It is an essential part of any democratic system of government that the executive arm of government listen to the people that elected them in the first place, whether or not they like what the people are saying. It is that great freedom which fundamentally makes this democracy work. People have the right to speak up and they have the right to be heard, no matter which government is in office. I have spoken on this issue many times. It is an old-hat issue—a tired mantra from a tired
government—but, back in 1999, last century, which was the last time that the Liberals tried to silence dissent within the student community, I said that student organisations have always been critical of government and that many were at times critical of the previous Labor government. Along with many others, student organisations are now critical of this government’s policies. However, the price for these criticisms should not be defunding and annihilation.

These organisations have a role in holding governments to account. That was my view then, and it is my view today. This bill is this lousy government’s political retribution for student organisations having opposed the government’s decisions. For doing such a thing, the government has cut billions of dollars from universities’ funding. The government has doubled HECS fees over the last eight years and it has allowed further increases of up to 25 per cent. It has allowed class sizes to increase by more than 30 per cent, and it has allowed universities to enrol students who will pay $100,000 or more for a degree—and at some universities, believe it or not, $200,000. The key point is that students with better marks—more meritorious students—are missing out because there are not enough places. That is where I have a problem.

The government have slugged students with an $11 billion debt that is already owed under HECS. The Liberal Party have an obsession with crushing student organisations. They have had that obsession for 30 years. They are obsessed with providing fewer services for more cost. Liberal students have been unable to win the popular support of their peers so they have turned to their parliamentary representatives and colleagues to force their will upon others. Those opposite will constantly try to frame this debate around the issue of freedom of association, but they could not be more misguided. This is completely wrong, but it is to be expected because it is central to everything the government have been doing. I would say it is deliberately dishonest.

It should be remembered that the rhetoric of ‘choice’ is problematic. It just does not stack up. Consider the same rationale of freedom of association being applied in other schools. Many schools levy compulsory fees on all students for a range of activities in that school, whether or not the student takes them up, because it is the only way the schools can operate. To do otherwise would mean they would not be able to offer the activities at all.

We heard the previous speaker, the member for Hume, talk about compulsory fees being akin to a rugby union team setting up in a country town and then slugging all the ratepayers with a fee so they can play rugby union. I hate to be the one to inform him, but that happens every day. It is called ‘sporting fields supplied by local council’. Thank God that we all pay taxes. Thank God that we pay our rates so that we do have those sporting fields. I may never use one but I am glad they are there, because one of my kids might choose to use one, because one of my friends’ kids might try to use one or because it makes the region where I live more amenable.

Some places have two sporting fields. Who pays for them? It is not just the people who use them. But in there lies the trick of this mean and nasty government, which tries to obfuscate its responsibility in these areas and to confuse the debate. The government’s rationale is that people should have freedom of choice and association. How far will the government take this debate with city councils and state and federal governments? The previous speaker made a silly statement that only the people who use sporting fields should pay for them. That will never work. We would not have any sporting fields any-
where—except, perhaps, for those really rich North Shore Liberal electorates, where an individual can perhaps buy his own sporting field. However, I do not think individuals in most parts of Queensland or country New South Wales could buy their own sporting field.

The rates, taxes and fees that people are charged are for the collective good. They are distributed for the benefit of all, and that is what makes this country great. That is the basis on which we can grow, and we can share our achievement and pass them on to generations. Thank God that somebody invested in building a park in my area 150 years ago and that everybody contributed a couple of shillings towards it. If it were not for that investment, we would not have one today—we probably could not afford the land today anyway. This comes from a mean, nasty government that are Olympic gold medallists when it comes to raising taxation. It must be remembered that this is the highest-taxing government in Australia’s history, with a total tax take of $235 billion in 2005-06. This is an increase of over 70 per cent—seven-zero—since the Howard government came to office. Tax per taxpayer has risen by over $12,200 under Treasurer Costello. And isn’t he a glowing example on tax! GST is weighing very heavily on Australian families. By 2008-09, the GST bill per household will be almost $5,400—over $100 per week.

Current membership arrangements are not, as claimed by the Liberal Party, an infringement on freedom of association. Current membership arrangements have been endorsed by the courts and the ACCC. They are two fine bodies in the Australian community that we can actually trust ahead of this mob. Student organisations make a valuable contribution to university life and provide vital services and support to students, whether or not they ever set foot on a campus. I will address that in a moment. Child care is essential for a young mum who is trying to study and to raise kids at the same time, as are free employment services if you are trying to study and to pay for education—which most people on this side had to do if they had the privilege of going to university. Free legal services, advocacy and welfare services, health services, interest-free loans and subsidised catering—with or without a smile: I do not particularly care, but if I can afford it that is where I will be going—will have an effect on students who support themselves to complete their studies. Student leadership provides full rounding of a student when they are at university. It is not just a sausage machine. We do not just crank out people like sausages and give them a bit of paper at the end.

Mr Martin Ferguson interjecting—

Mr RIPOLL—Yes, unless you are the Treasurer. Student organisations provide meeting rooms and student lounges; diaries, magazines and publications; information; student insurance; development activities; sport and recreation; commercial services; orientation and transition to university; accommodation referral; cultural development; and entertainment. What would university life be like if you did not have some form of entertainment while you were there? They also provide postgraduate support; information services; mature age student support; shuttle buses; safety for women and young people on campuses; distance education support; resource centres; visual and performing arts; theatres and galleries; new buildings; tables, chairs and park benches—all those things that universities do not provide themselves. To those people who are students but who do not have the opportunity to ever set foot on a university campus—and I feel really bad for them—I say: you get something too. You get a lesser fee to pay and you get services as well. There are internet based
services and services on the phone. If you have a problem with an exam or something happens and you need to ring someone, you have someone there on your side who will give you the information you need and tell you what the cut-offs are and how the system works. They will send an officer or an advocate on your behalf to represent you if you cannot make it to the campus because of distance. There are a whole range of services. Not everyone will use them all, but thank God they are there when you need them. That is the reality. We do not use all the services we pay for, but thank God they are there when we do need them. They would not be there unless there were a levy.

If one or two organisations did the wrong thing about money, then let us get the accountability and transparency right, but let us not penalise everybody because of a few bad apples. If the only other debate is the political one about freedom of association then, fine, we have given you the way out: dump it. Let us not worry about it; let us move on and let the university collect the fee. Let them be transparent and accountable, and let them do the work. But provide the services. If you are genuinely about provision of services for students and you are not just being lousy, then allow the collection of fees. But it is not about that; it is about petty politics. It is about killing off that lifeline and about once and for all cutting the legs out from under students. The government have done it through funding cuts, and now they are going to do it through the last means that are available. This is not about the student organisations themselves or the students; this is about the Liberal Party getting back to the days in the seventies when they could not win a trick. They could not win an election, and they could not win the support of their peers. They lost every trick in the book and, now that they are in this place, they are going back to those days to try to get some form of retribution.

Labor does not support that view. Labor thinks this is a mean, nasty spirited approach and that we should be supporting our universities, because our universities are vitally important to Australia and attract many students from overseas. In fact, export earnings from international education are worth more than $4 billion a year to the Australian economy. Many of the international students rely on the vital services provided by student organisations: accommodation, language support—a whole range of things, the detail of which I will not go into but which are very important. Why would the government want to take away that lifeline? Why does the government have to be so savage and so mean? Included here are cuts to sporting organisations that provide sports scholarships that have produced many Olympians—people the Prime Minister is so happy to be photographed with but, when it comes to the crunch, does not support. Also included is the stripping of subsidies from sporting clubs that promote fitness and participation. In one breath the government tells you that we ought to be doing more about obesity and tackling it head on. One of the places you start tackling it is at university. Universities provide fitness programs and they have gymnasiums. They can provide support for people, so why attack them? Australian universities will no longer have the money or the capacity for all these things, especially given that $5 billion in funding is being stripped away.

If we look more closely at the contribution of sporting organisations to university life in the broader community, I think you will find that they are making a worthy investment. If all that investment needs—and there is no money from the Commonwealth; they are not asking for any money—is that universities be allowed to collect the fees, what could
be wrong with that? Where is the political danger in that? That is how this government thinks: everything is about the political danger to itself and to its own existence. It does not govern for students, and it does not govern for people in universities. It governs for itself and its political donator mates. They are the only people this government cares about. It will break, bend and twist every rule in the book, and it will get away with everything it can as long as it can protects its mates. This government governs for itself and not for what it can do for the community and for the Australian economy. It just skirts along on the good that has been done in the past by others and does nothing for the next generation. Everything this government is reaping today is because of the seeds that were sown by past Labor governments—the hard, tough reform choices that Labor made while in government, something that has been well acknowledged by all political commentators; in fact, it is something that has been acknowledged by the Prime Minister and the Treasurer on more than one occasion.

This government is simply being mean and nasty in cutting funding and stripping away services that are essential to students and, essentially, to communities. A whole host of coalition regional members come in here and talk about how important their universities are in regional areas. For some regional areas, the university is the core hub of economic activity, yet this government is going to move legislation that will stifle that economic activity and the potential for growth and development. The sporting fields and green spaces, where maybe the ratepayers in those regional areas cannot afford to have their rugby union, cricket or other sports, are provided by the campuses. There is a whole range of those right across the country, and I think it is really important that we acknowledge them.

What this government is about, as in all its legislation, is punitive retribution and victimisation. It is punishing students for something they have not done to this government. The minister has been clipped on the beak on this one a number of times. Clip him again. Put him back in his box and get on. Dump this legislation and tear it up, because it is not worth the paper it is written on. (Time expired)

Mr CIOBO (Moncrieff) (6.51 pm)—What an opportunity to follow such an extraordinary speech! It was 20 minutes of absolute rhetoric, with, I think, one point, or maybe two points, of any substance in the entire 20 minutes. In the four or five years that I have been in this chamber, there has been no better example of someone filling their 20 minutes for the sake of filling their 20 minutes. The award must certainly go the member for Oxley for his latest contribution.

I would like to pick up on some of the points made by the member for Oxley to highlight how absolutely shallow the Australian Labor Party’s position is when it comes to voluntary student unionism. I would like to signify how intellectually corrupt his speech was and how there is a complete absence of any rigour whatsoever when it comes to the Australian Labor Party’s position on student unionism, voluntary student unionism, a student amenities fee or whatever other cap we wish to put on this debate this evening.

I heard the member for Oxley make some absolutely outrageous claims. In summing up he made comments to the effect of saying, ‘This government’—that is, the Howard government—‘is all about punitive retribution, like all its legislation.’ For the member opposite to sit in this chamber and deliver with a serious face a comment like that simply highlights and underscores the complete vacuum of intellect in that last speech. Does
the member for Oxley seriously contend that this government is only focused on punitive retribution and that every piece of legislation this government has passed in some way is about punitive retribution? I think not. It just demonstrates how light on that last contribution was.

I also heard the member for Oxley, like a number of other members opposite, make claims about how the days of compulsory student unionism are finished and how the focus should be on a student amenities fee. The member for Oxley and other members opposite have gone to great lengths to describe the kinds of services they seek to continue by compulsorily forcing students to pay funds. They have described them as being ‘essential services’ and ‘vital services’. The member for Oxley even referred to them as ‘a lifeline’. The kinds of services that Labor members say must be absolutely guaranteed by forcing students to pay were outlined in some detail by the member for Oxley. He mentioned, for example, child care; counseling; sporting and recreational facilities; employment services; interest-free loans; subsidised care; leadership courses; diaries and magazines; accommodation referrals; and entertainment. The member for Oxley said, ‘What would life be like on campus without entertainment?’ Shuttle buses have been mentioned. These are the kinds of services that various members opposite have described as ‘essential services’, ‘vital services’ and ‘a lifeline’.

I make two points in this regard. The first is that if these services are so essential and vital—if they are a lifeline—for students, why wouldn’t they pay to use them? If all of a sudden a student is liberated from paying hundreds of dollars every year in compulsorily acquired funds, why would they not choose to spend money on the kinds of services they need? That is the first point. The second point—the member for Oxley’s speech was again completely devoid of any intellectual rigour on this—is that most reasonable people would take the position that, unlike the rest of the community, those who have the opportunity to go to university are privileged. The member for Oxley said it. I have had that privilege and I know a number of others who have enjoyed the privilege of going to university. It is a privilege. The reason why it is a privilege is that only about 30 per cent of Australians have the opportunity to go to university. If you go to university and successfully graduate, chances are you will not be unemployed. If you do become unemployed you will be unemployed for less time. Those with university degrees have higher average levels of income and have a higher standard of health. These are what the averages tell us about those privileged Australians—that 30 per cent—who have the opportunity to go to university.

The flaw in the logic that the member for Oxley and many others opposite have made is to say that it is no different for students who go to university than it is for students who go, for example, to school. But there is a very big difference. The very big difference goes with the catchment of those who attend these services. The very big difference goes with the catchment of those who attend these services. All students are required to go to primary and secondary school. Every young Australian, with perhaps a few very minor exemptions, goes to school. That is the reason governments collect taxes. It is the reason parents will put their hands in their pockets and put money on the table for particular services in some schools. Everyone eats at that table. It is very different from university. The privileged are the ones who get to go to university. To in some way suggest that there is an equal footing or a comparison to be made between taxes that are raised to pay for social infrastructure in the community—something that every single person is able to enjoy—versus compulsorily acquired funds at university for something...
which many people do not have the opportunity to enjoy is, quite frankly, absurd. For those who have the chance to go to university, the notion that they should be forced to pay for services that are already covered by taxpayer funds is simply unsustainable.

The Labor Party claim that they are the champions of workers—of, for example, those who are in trades. We have heard members opposite say that they are the real representatives of those Australians engaged in vocational trades. I need them to explain to the chamber why it is that special legislation should exist that says, ‘This applies to university students who desire to use shuttle buses, subsidised care or interest-free loans but does not apply more generally in the community.’ Why is it that there is a special category for university students that does not apply for people who work hard, people in apprenticeships who get low pay and some people in vocational trades who may not make a lot of money yet pay the taxes that pay for 75 per cent of a university degree that an undergraduate student obtains while the undergraduate student only pays for 25 per cent? Explain that, please, members opposite.

I see the Chief Opposition Whip sitting there. I would dearly love him to contribute to this debate and explain why a university student is entitled to an interest-free loan but a single mother who might work many hours a week to support a family has to pay taxes that pay for 75 per cent of the cost of the degree of a university student. When the Australian Labor Party can stand up with any intellectual rigour and honesty and explain why a special circumstance should apply to the privileged 30 per cent of Australians who go to university, that will be the day I will support the legislation the Australian Labor Party put forward. But they cannot do it, because for the Australian Labor Party this debate is all about protecting unionism. Like so much of their myopic focus, this debate is all about protecting that base, the hatchery of the Australian Labor Party. The entire front-bench of the Australian Labor Party is made up of union hacks who have earned their stripes. I have not done the research, but I am sure probably 90 per cent of them were in the union all through their time at university. That is why the Australian Labor Party have a quaint fondness for making sure they prop up a system they know is intellectually flawed.

There is a very big difference between compulsory unionism and student amenities. The problem is that so many do not see it. The reality is that money that is easy to come across is money that is easy to spend. When you force students to pay for services, irrespective of whether they use them, irrespective of the percentage of the services that are utilised, it is very easy to continue to waste that money, because it is easy come, easy go. To give you an example, Madam Deputy Speaker Bishop, in Victoria the model that operates is the kind of model for student unionism that the Australian Labor Party is advocating today. Yet a press release was put out today by Michael Josem, President of the Monash University Student Union Caulfield, highlighting how even though what I would term VSU lite exists in Victoria—that is, the kind of model the Australian Labor Party has put forward, which apparently exists only to fund student amenities—compulsorily acquired student union funds have been used to pay for fines of students who were protesting and were charged with obstructing police.

So students, many of whom struggle to pay several hundred dollars a year in these compulsory fees, are having their money paid towards the fines of student protesters. The interesting thing about this is that the money that was spent by the interim student representative council of Melbourne university, who approved $500 to pay these fines,
was not even spent on fines for students from Melbourne university. They used that $500 to pay for the fines of students in Perth. This is the kind of outrageous and flagrant abuse we see by student unions, even under the model the Australian Labor Party says safeguards students’ money. It does not safeguard students’ money.

We saw another matter a couple of weeks ago where the so-called protected money, which is only to be used on student amenities, was actually used to fund people in Iraq who are firing bullets at Australian troops. That is an absolute disgrace. And the Australian Labor Party champion this as an example of the preferred model that should apply in Australian universities today. It is an absolute joke. This once again highlights and underscores how flawed the Australian Labor Party are in their thinking when it comes to voluntary student unionism.

The inescapable conclusion is that voluntary student unionism comes down to simply being a matter of choice. If services are so important—if they are essential, if they are vital—students will pay to use them. It is nothing like local government; it is nothing like state government; it is nothing like federal government; it is nothing like taxes. The reason it is not like taxes, local government, state government or federal government is that governments collect fees to pay out to the community at large. That is what government does. But those privileged elites—and I count myself among them—who have the opportunity to go to university are not in a situation where they deserve special protection. My real concern lies with low-class and middle-class Australians—

*Mr Tanner interjecting—*

*Mr CIJBO*—To use the PC term, so I do not upset the member for Melbourne, my concern is for socioeconomically disadvantaged Australians. Let me put my focus back onto those people. They are the people who do not enjoy interest-free loans, shuttle buses, counselling, subsidised child care, sporting and recreational facilities or special leadership courses, because they do not often have the opportunity to go to university. If they do, that is fantastic. But let them also make the decision as to which of these services they would choose to utilise. I guarantee one thing: the several hundred dollars a year they save by not having to scrimp and save to pay for compulsory student unionism will be much better spent by that student than by some unrepresentative student council that would rather spend thousands of dollars to support people shooting bullets at Australians in Iraq or, alternatively, to pay for fines of students 3,000 kilometres away in another state. These are outrageous examples of the ways in which easy money is easily spent by student unions.

The debate tonight is fairly fundamental. It is important to Liberals and Nationals because it rests on and revolves around one key principle that we believe in: people in the modern Australian democracy know where they want to spend their money. We believe that students know if they get value for the dollar that they invest. We on this side of the chamber believe that privileged Australians who have the opportunity to go to university are able to determine how best to utilise services and whether they want to pay for those services. More importantly, we on this side of the chamber believe that privileged Australians who have the opportunity to go to university are able to determine how best to utilise services and whether they want to pay for those services. If there is not demand for services then we already collect taxes to pay for the kinds of services that they may seek to use, such as legal aid, assistance when it comes to putting together their tax and subsidised child care.

These services exist in the community. No, they are not quarantined to one small, isolated campus. They are not there purely at the beck and call of the university students.
that happen to be on campus on that particular day. They are there for the community at large. We fundamentally believe that university students are part of the community at large, the same world that everyone else exists in. It is the Australian Labor Party that would seek to corral them, to put them to one side and say, ‘This group of Australians deserves special protection, and we will force everyone to pay for those unique and particular services because we think they are not capable of determining what they should pay, for which services they should pay, and the manner in which they should pay for them.’

Let us please attribute intellect and intelligence to Australians and say, ‘They can determine how they want to spend their money.’ Let us get back to the fundamental notion that says that people have the right to choose whether to be part of a student union. People have the right to choose whether to contribute funds towards particular groups. If community groups can raise money, by holding sausage sizzles and lamington drives, for equipment for the weekend rugby club or for the weekend cricket club then I think it is high time that university students also did the same thing. If it is good enough for apprentices, if it is good enough for the low-paid and if it is good enough for middle-class Australia then it is good enough for university students. I totally commend the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005. I put it to the House that this bill thoroughly warrants support.

Mr PRICE (Chifley) (7.09 pm)—I am indeed pleased to speak on the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005. In fact I put my name down for three bills, and this is part of the pleasure. I put my name down for the debate on the antiterrorism bill, and what did this government do? It gagged and guillotined it, and I did not get to speak. I put my name down for the Welfare to Work bill, and again this government gagged and guillotined the debate. By any measure these were very radical bills making great changes to the way ordinary Australians would be affected. The very least they deserved were two things. First, they deserved a proper debate in this House. Second, may I say, why couldn’t we have had proper scrutiny by a parliamentary committee? After all, that is why we have parliamentary committees. So you can understand why I am actually very pleased to be in this House speaking on this bill.

The honourable member for Moncrieff has left the chamber. But he made the assertion that student unions were funding the bullets of Saddam Hussein. Let us get the record straight. The corrupt bribes that the Australian Wheat Board, with the conniving of the foreign affairs department—

The DEPUTY SPEAKER (Hon. BK Bishop)—I would remind the member for Chifley that that language is unparliamentary.

Mr PRICE—I say that if anyone is funding the insurgency, or if anyone is paying the widows and families of the suicide bombers, it is elements of the former Saddam Hussein regime. Where did they get some of their money? Three hundred million through—

The DEPUTY SPEAKER—I would remind the member for Chifley we are discussing the education bill.

Mr PRICE—This was raised. I had to sit through it. Madam Deputy Speaker Bishop—and I apologise to you—you properly called me to order when such provocative statements were made by the honourable member for Moncrieff. I need to set the record straight. I believe that if anyone is cul-
pable it is the government over there, not the student unions.

Labor are vehemently opposed to any legislation that will disadvantage Australian universities or Australian university students. It is for that reason that we oppose this bill as it presently stands. We oppose it because it will lead to the collapse of essential student services at many Australian universities. It will be particularly damaging to rural and regional and outer metropolitan campuses, including the six campuses of the University of Western Sydney.

Let me say for the record that I am not a privileged person who went to university, but I have an aspiration for my electorate and I have always publicly advocated the position that I want my fair share of students going to university. We, the Labor Party in the community of Western Sydney, fought to get the University of Western Sydney. Am I satisfied with the number of students from my electorate going there? No, I would like to see more. If you think that they are privileged to go to the University of Western Sydney, yes, they may be, but they go in their thousands to undertake courses like nursing, an honourable profession. We produce more of them, I believe, than any other university in New South Wales—and the same for teachers.

Labor has foreshadowed a compromise amendment to this unfair antistudent legislation in an effort to salvage on-campus services for students. An amendment by the honourable member for Jagajaga, the Deputy Leader of the Opposition and shadow minister for education, training, science and research, the honourable member for Jagajaga, on a visit to the Blacktown campus of UWS to see first-hand how these changes would impact on the provision of essential student services. I need to point out to the House that we have there not only a university campus but also a TAFE and two senior high schools. It is a terrific educational precinct. It is fair enough to say that the consequences of this legislation passing the parliament will be nothing short of disastrous: UWS will be left with a $10 million black hole.

What have we heard about this from Liberal members from Western Sydney? Have we heard the member for Lindsay, Jackie Kelly, enter the debate? Have we heard the member for Macquarie, Kerry Bartlett, the Chief Government Whip, enter the debate? Have we heard the member for Macarthur, Pat Farmer, enter the debate? Have we heard the member for Greenway, Louise Markus, enter the debate? Not on your nelly! They did not even put their names down to speak on this legislation, which will have such a devastating impact on the University of Western Sydney.
I see that the honourable member for Hinkler is in the chamber, a member whom I respect. I say to the honourable member for Hinkler: look at the model we have developed at the University of Western Sydney. It might satisfy some of the things that you are looking for. It will not satisfy your ideology or diatribe but, for practical arrangements, it is a very good model. The company uwsconnect has been established. It includes both university members and university students. In fact, they are required to be trained as directors of a company. They have to pass an exam. They are mentored by other directors. This company provides the bulk of student services. It does so on a business model with a business plan. While it is a not-for-profit organisation—that is, it does not intend to make a profit—it is required to abide by normal company standards and arrangements, including fiduciary responsibility. Hence, under uwsconnect, it is not possible for the funds to be misappropriated. They have to be allocated according to the business plan and model that have been agreed to and there is accountability of all sorts.

What is wrong with this model? Why can’t one Liberal member from Western Sydney in this House stand up and talk about UWS and the services it provides? I do not understand it. The member for Moncrieff said, ‘Look, it’s user pays.’ I can tell you that on the Hawkesbury campus—not a big campus, I might say—they provided a private enterprise cafe. What happened to it? In less than 12 months, it had closed. No matter what hour you arrive at that campus, you cannot buy food or drink—or coffee, for that matter. Is that a good thing, particularly when there are so many part-time students who are required to enter the world of work as well as to continue with their study?

I was talking about the impact that this legislation will have. It will mean that the University of Western Sydney will have a $10 million black hole. It will result in the collapse of a number of things at the Nirimba campus: a state-of-the-art gymnasium—it was left there by the Navy and is open also to the public; a 50-metre swimming pool—again, left by the Navy, used by students but open to the public and used by some 20 schools in the area; a retail shop; food outlets; a bar; a coffee shop; and a cafeteria. These are run not by the student association but by uwsconnect, a company.

At the Blacktown campus, the student association provides the following: a second-hand bookshop; a welfare officer; student representation—that is, advocacy; and a shuttle bus. It provides a shuttle bus from Nirimba campus so that the students can get their local train at Quakers Hill or Blacktown. Madam Deputy Speaker Bishop, we do not have terrific transport in Western Sydney, but just imagine if your son or daughter were doing a course at the TAFE or the university late at night and they needed to catch a bus to get home. You are going to cut that shuttle bus out, so they will have to walk to the station late at night. Is that the sort of environment that you think is good for TAFE students and university students? I do not think so. Be it on the head of the government and the local member, who will not speak up about it, if that shuttle bus disappears and a student’s safety is compromised or they are harmed.

As I said before, where are the Liberal members from Western Sydney? Isn’t this an important issue? Even if they cannot stand up and defend the University of Western Sydney—and, for the life of me, I do not understand why they would not want to do that—they could at least mouth the rhetoric of the government. They could say to the mums and dads of Western Sydney—and there are campuses dotted throughout; I am only talking about Blacktown—that this is in the best interests of the students of Western
Sydney, your sons and daughters, who may aspire to become nurses, teachers or engineers or to do other courses, and that they do not require these facilities.

The only way a facility will survive is if it is run on a business model. But there again, as I said, the student union in Western Sydney and the university have actually set up a business model. They have set up a company. The students have an input, but they cannot dictate those services that are being provided. When they provide advocacy services—which, as I think you would accept, is a responsibility that a company could not provide—they have to submit a business plan about how those advocacy services are to be provided and what services are to be provided, and they are audited. Doesn’t this make sense? This model that we have worked so hard to develop in Western Sydney is working so well. Can’t we be left alone? And, if we cannot be left alone, isn’t it something that other universities ought to look at and be encouraged to adopt?

I have talked about the shuttle bus. I just want to say a few things in conclusion. Firstly, to the members for Greenway, Lindsay, Macquarie and Macarthur: have a bit of courage. You are elected to represent the students. In Western Sydney we have never, ever had our fair share of students going on to universities. And, I might say, we are presented with some dilemmas. The wealthiest universities—the sandstone universities—offer our very brightest students scholarships and subsidies. In some ways I regret that they are not going on to the University of Western Sydney, but I cannot say that it is a bad thing that they are going on to the University of Sydney, Macquarie University, the University of New South Wales or the University of Technology, Sydney, because all of those universities are in Western Sydney picking the eyes out, taking our very best students and encouraging them with scholarships.

Personally, I have always had the belief that what we are doing with university students is saying that there is a public benefit in having the professions—because that is what in effect they are—trained at university. As previous speakers have said, the public purse goes somewhere towards funding 70 per cent of it. However, there is a tragedy for TAFE. I think that all entry-level training should be on a not dissimilar model. We should be encouraging the public purse to pick up entry-level training. But in TAFE we are not investing the money into extra places. In fact, we are being so skewed in TAFE that next year, as a result of the government’s skilled migration program that imports apprentices—who are unskilled—to do their apprenticeships in Australia, when my people in Chifley are looking for their son or daughter to do a plumbing course, hairdressing or any of the other apprenticeship courses that are offered by a very vibrant TAFE sector, they are going to be competing for places with imported students from China, Thailand and Lord knows where else. This government cannot even deliver the basic right to our young people to be able to aspire—without competition from overseas students—to be a tradesperson. I never thought I would stand up in this place and talk about the fact that we are importing young people to do apprenticeships in this country.

Under Labor, I was there at the turning of the first sod at Mount Druitt TAFE. I was on the very first board that it ever had. I have seen about eight expansions of Mount Druitt TAFE, and it will expand even more. It supplies a terrific service. If there is one presence in Western Sydney that is very strong in the educational sector, the tertiary sector, it is the TAFE presence, because, quite rightly, a majority of students aspire to the world of
work. When they finish school—sadly, not always at school—they want to get a job. They want to have the training that will secure them a job. But this government will not even do that.

So let me not have Liberal members coming into this place and telling me how saddened they are about young people and the disparity between the so-called ‘privileged’, those going to university, and those going to TAFE. If you were fair dinkum, you would be funding TAFE. You would be creating the places, and you would be encouraging a greater participation in school based apprenticeships as well. TAFE has been underdeveloped by this government. In fact, you are now embarking on creating a parallel system. Good luck to you; I hope it works, but I do not think you are doing the right thing.

All I can say to those Western Sydney Liberal members is: you have been silent on this bill. You will not stand up for the students who are going there. Why won’t you enter this debate? Why won’t you fly your colours under the government’s flag of legislation? We have a good system in Western Sydney at the University of Western Sydney. Those members know it. They should be in here defending it. They should be in here persuading the minister—and the Prime Minister, for that matter—to adopt the University of Western Sydney model, where these services are provided by a company, where there is auditing, where there is fiduciary responsibility, where there is no misallocation of money. I suppose what makes it worse is that it is working, and it is working well.

So, Madam Deputy Speaker Bishop, do not be surprised when I vote against this, if it comes to a vote—because I am unclear as to whether or not the government has sorted out its position. But we will be supporting the amendment to be moved by the honourable member for Jagajaga. As I say, I have always aspired to have in my electorate my fair share of young people—and adults too, for that matter—going on to universities and getting the benefit of a university education. We have heaps more people going to university these days than when I was first a member, but I would like to see more. I do not want second best for my constituents.

Mr NEVILLE (Hinkler) (7.29 pm)—The Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005 cuts to the heart of two very different political philosophies. I was somewhat bewildered by the contribution of my good friend the member for Chifley. He is a person I respect, but he made the point that he was not able to speak on the IR or welfare to work bills and he relished speaking on this one. I find that a bit bewildering because the IR bill was one of the longest debates in the history of the parliament. That is the first thing. The second thing is that, if he and his colleagues, including the member for Melbourne, really feel that these are matters of such great moment, why is it that we have spent the bulk of question time last week and this week pursuing the Treasurer over the appointment of one person to the Reserve Bank board? It beggars belief that anyone could claim to be so hurt by this and then allow his party to wilfully expend their currency on such a forlorn chase after the Treasurer.

I will go back to the two different philosophies we have to consider tonight. We have the argument that individuals should be free to choose whether they join a particular organisation versus the belief that compulsory membership and, by association, payment of fees of an organisation contribute to the greater good. Those are the two things we have to reconcile. I also believe that the debate over compulsory membership of student unions, and therefore the forced collec-
tion of funds from enrolled students, contains two separate elements. One is the principle that students should not be forced to join a student union. The second is the question of students paying a levy for the upkeep and development of sporting, cultural and welfare services whilst they are enrolled as students. This is a theme I will expand on in my speech.

There has never been a single idea of what a university and its core function are. The concept of ‘university’ has changed over time in accordance with the social, economic, political and cultural conditions of particular countries, so the concept of change in itself is nothing new to higher education.

Let me start by stating the plainly obvious: universities have long been a breeding ground for political activism. That is not necessarily a bad thing but, when you add the element of compulsory student unionism, with fees bankrolling political campaigns and marches by various segments of the political divide, then you have an abuse. But our universities are also places where young people find themselves. They are places of higher learning. They are also places where people of different backgrounds, races, outlooks and cultures come together, developing a holistic attitude in the student in conjunction with his or her academic studies.

The pursuit of academic excellence is also a part of the university experience. The remainder comes from personal growth through new experiences. Until now, many of those experiences have been possible because of services and events subsidised by compulsory fees. On a philosophical level, the debate is black and white with clear and cogent arguments being made from both sides, but I believe it is our job as legislators to find the middle ground. How do we ensure that universities, particularly those in regional areas, can continue to provide students with various supports and social programs while freeing them from compulsory union membership?

I definitely do not come to this debate as a theorist or ideologue. In the early 1980s, I was an inaugural member of a higher education committee set up to attract a first-year campus to Bundaberg. This campus was to be accredited to Capricornia Institute, Darling Downs Institute, University of Queensland and the University of New England. Plans were made to take over the old Christian Brothers College, which had moved to new premises, but before we could become fully recognised the Dawkins model for regional universities came into being and we became part of the Capricornia Institute. I later served on the institute during its transition from institute to University College and from University College to the Central Queensland University. I have remained a member of its Bundaberg Advisory Committee since leaving the institute council.

As I said before, I am not coming here as some political theorist. I know the challenges of regional campuses. People talk about rowing and rugby clubs, but the campuses in my electorate—in Bundaberg and Gladstone—do not even have their first oval. I reasonably ask: what is the future of facilities on these campuses, which in many instances have only acquired the most basic facilities, like a cafeteria, in recent years? I come to this debate, while supportive of the government’s broad policy, with some ambivalence and concern for regional campuses. I am not driven by the pathetic arguments that the opposition are using to try to drive a wedge into the coalition. We are mature enough on this side of the House to be able to encompass our differences.

I want to see young people and mature students on my campuses have, as close as possible, the facilities which will allow them
to experience at least a modicum of a holistic university experience. I want them to know, like us here in this building who can frequent a cafeteria for low-cost meals, that they too can have a similar basic facility to support their academic endeavours—to be able to get a decent feed. They should not have to traipse down the road to the local service station for a hamburger for some sort of sustenance. I just will not stand for that.

The fact that student unions compulsorily acquire funds from students is viewed by individuals through the prism of their personal philosophies, but the sheer scale of collected revenue is quite astounding in real and tangible terms. In 2004, Australia’s 37 university unions drew more than $160 million in compulsorily acquired funds from full-time undergraduate students—the University of Sydney Union collected more than $14 million; Monash University Student Union collected $13 million.

At the other end of the scale, we have the Charles Darwin University student union in the Northern Territory, which gets by with less than half a million dollars in fees per year, and the University of the Sunshine Coast student union, which operates on $520,000 a year. Yes, the student enrolments of these case studies would differ enormously. Yet each campus still has an obligation to provide services to its students.

I would argue that in our larger universities the bulk of the student body, all of whom are forced to pay compulsory fees of between $400 and $600 a year, do not have a clue about the lurks, perks, facilities, allowances and air travel their money provides to student union representatives. Unfortunately, it is quite common for student union funds, which have often totalled millions of dollars each year, to be used by a minority to push a particular political ideal. It was not that long ago that we saw a radical element carry out a violent protest in Sydney over the issue of voluntary student unionism. I would wager that the placards, signs and banners were paid for from the compulsorily acquired funds of the students. You would think that that would be a conflict of interest, wouldn’t you? I would also argue that on most occasions these so-called political ideals and loutish actions do not relate to the day-to-day lives of the university students and that those who use these funds for such purposes do so only to bolster their own zealotry and their own narrow political agendas. This is not something that Australians warm to.

There are tremendous collections of obscure clubs and societies funded via student union fees, amongst them the Chocolate Appreciation Society and the Lego Club at UQ; the Dark Alternative Society, the Fruit Carving Club and the proposed Gargoyle Appreciation Society at the University of Sydney; and the Foundation Allowing Liquor Under Sound Appreciation at Monash. That is the sort of tripe that we are dealing with. While clubs and societies may well be a part of the university experience, I wonder how many cash-strapped students like seeing their compulsory union fees go to ‘social activities where chocolate may be savoured, tasted, sampled, eaten, consumed, downed, gorged and gorged’. As one recent letter to a university newspaper said:

Ask a student what the union has done for them lately, and they’ll say, ‘Oh, last time I tried to go to the refectory, the Commonwealth Bank gave me a free lollipop. It was great.’

What rubbish. And what happens if a student, for whatever reason, fails to pay these compulsory union fees? Their academic results are withheld or they face the prospect of having their enrolment cancelled. It is even worse—in fact, it is absolutely abominable—that hardworking students who have dedicated their time to higher learning and improving their education should have their
studies put at risk because they have not paid union fees. We all know that going to university is a real commitment in terms of time and finances. To have this disappear overnight because union fees have not, or cannot, be paid is nothing short of scandalous.

There is no denying that, along with the more esoteric clubs, student unions provide valuable support services to students, many of whom are living away from home for the first time. These young people, particularly those from regional areas who may be learning to cope in a big city for the first time, need the support offered by the organisations—whether they be in health and welfare services or access to sporting facilities. Without a doubt, these amenities and services could disappear entirely—or be substantially diminished—without student union fees, particularly on campuses with relatively small student populations.

It may not be such a concern for our sandstone universities and those which were established many years ago—some of them 70, 80 or 90 years ago—which can achieve economies of scale with a throughput of anything from 20,000 to 60,000 students. But what do you do at a campus like Bundaberg, Gladstone, Mackay, Townsville or Cairns? What do you do at those campuses? If it were not for some form of levy or subsidy applied to university services on our new campuses—which might have only up to say 2,000 students—they may well lose out big time over the coming years. They could very quickly turn into little more than a barren campus with a library, a few lecture theatres and a car park. I for one do not want that to happen.

While I do not believe that university students should be forced into student unionism or forced to pay compulsory student union fees, I do not want to see the baby thrown out with the bathwater. Let us make sure that, if we are going to limit compulsory unionism on campuses, we do not do it at the expense of the social, welfare, cultural and sporting facilities available to students.

There is a third dimension which no-one has mentioned in its correct context in this debate so far. That is the role of the university itself. For too long, many universities have relied upon their student unions and guilds to provide child care, student counselling and basic health care. I reiterate those three: child care, student counselling and basic health care. I think it is quite wrong, and an abrogation of their responsibility to both the university concept and their students. Child-care centres should be available to students, academic staff and ancillary staff. They should be funded by the university itself from its basic fees, not from compulsorily acquired fees. It should be part of the holistic responsibility of the university. If counselling is to be available, it should be available as part of the duty of care to students, not as part of a facilities fee. It should be part of the basic university fee. These facilities should be an integral part of the university under its normal fee structure. I say that with great passion.

In this debate, both sides of politics have become impassioned with saving student unionism on one side and trying to get rid of it on the other. In the middle ground there are those trying to keep some basic facilities in place. We have lost sight of the fact that the universities themselves have not been carrying their burden. It should not be the role of a student union or some compulsory fees to look after things like counselling and child care. Well managed by the university, child care should be able to cut even or make a small profit. Universities have a duty of care to young students who have emotional or psychological problems or problems with their courses to make sure that they are properly counselled.
We have all sorts of things in universities today. We have quality control officers, gender equity officers; but do we really have student officers? No, we do not. I am saying in this debate that there are three groups of responsibility. This is where I am coming from: if people want to be freely associated with a political or social movement in the university that is essentially to do with political expression and to perhaps acquire access to facilities that are outside the normal range of activities at university then the universities should be able to levy fees. According to the quality of the product that they present to students, people will become or not become members. That should be abundantly obvious to all of us. That is the first group.

The second group are the universities themselves. Most universities have been slinking away from this for years: ‘Let the student union do it. They can do the counselling. They can look after this. They can give the contraception advice. They can do all these sorts of esoteric things, and that lets us out of the loop.’ No wonder the fees were $400 to $600. It is partly because the universities themselves have abrogated their role of duty of care.

In the third group are the universities that I talked about before, which are scattered throughout central New South Wales, northern New South Wales and up the Queensland coast, that are only 10 or 12 years old at the most. They are small campuses, some with as few as 400 students, others with 1,200. I suspect the university in your area, Mr Deputy Speaker Lindsay, would have around 2,500 to 3,000 students. They are comparatively small universities with very few facilities. On some these campuses, student bodies which have not been involved in any great degree of political activity have taken on huge responsibilities such as paying for gymnasiaums, assembly halls and student facilities. I think universities need to be able to charge a compulsory facilities fee. It should be tightly controlled and it should be audited by the Commonwealth Auditor-General. It should be crafted in such a way that the profits from any profit-making instrumentalities administering that compulsory fee should be reinvested in student facilities. As I said before, the universities should carry out their role and, at the extreme end, those who want to have a political experience at university can have it. The recent state conference of the Queensland branch of The Nationals resolved, by way of a motion, that it:

Declares its full and unequivocal support for the concept of voluntary student unionism;
Notes the concerns of the Federal government with regard to wastage of funds by university student unions;
Requests the Federal government ensures that an alternate funding mechanism with comparable levels of funding to existing fees is provided to maintain the level of services and the provision of facilities on university campuses; and
Calls on the Federal government to introduce and enforce good governance guidelines and a clear framework for what purposes funds are able to be used for.

That is exactly what I have said. I am not saying that because I am some National Party zealot. That is what I firmly believe. That is what I believe from having served on a university council. That is what I believe from my observations. That is what I believe is necessary in Queensland and New South Wales universities. (Time expired)

DISTINGUISHED VISITORS

The DEPUTY SPEAKER (Mr Lindsay)—Before I call the next speaker, I would like to recognise Elisabeth Siataga and Tanya Acheson, who are in the gallery tonight representing the James Cook University Student Association. Welcome to the Parliament of Australia.
Ms KING (Ballarat) (7.49 pm)—I congratulate the member for Hinkler on his most thoughtful contribution to this debate on the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005 and for standing up for regional universities. I hope that you have the courage of your convictions and vote for Labor’s amendments, which will provide you with the middle ground of saving student services whilst not supporting compulsory student unionism.

Today feels just like groundhog day. Over a year ago now I stood in this place to oppose the last version of this bill. I was one of the few members who got to speak, because although we started that debate it never went to vote, as the Minister for Education, Science and Training failed to get enough support from his own party room let alone from other parties in the Senate. We had the embarrassing spectacle that each time a bill was needed as filler to pad out the business of this place at the end of a session in case the Senate got behind, it was the minister’s voluntary student unionism bill that was listed as filler. That bill lapsed with the 40th Parliament.

So here we are again. Introduced months back, this bill did not come on for a second reading debate, because the minister could not get the votes to get it through the Senate, let alone his own party room. Now rushed on for debate again in this last week of parliament, the minister—this grand strategist—has stuffed it again. His own proposals to amend the bill, as reported in the media, are unworkable and he cannot get them through his own party room. He is frantically trying to lock down Senator Fielding’s vote and that of members in the party room and has sought out an eleventh-hour compromise. What an embarrassment for this minister. This is more a case of the minister—in the middle of the simmering leadership tension in the Liberal Party, and due to the fact that he has singularly failed to make any significant impact this year—jumping up and down and saying in the now famous words of Kath and Kim, ‘Look at me, look at me.’

To settle old scores, the minister is trying to prove that he is really, truly a Liberal at heart. He is trying to settle old scores, trying to prove he really, truly, honestly in his heart is a Liberal. Despite starting his political career with Labor, he aims to abolish up-front fees for joining student unions or student associations and replace them with voluntary student unionism. The minister is not able to move on from the Liberal’s tired old debate about compulsory student unionism, unable to accept that he lost the student uni battles he fought in the 1970s. He is now trying to make his mark and win support with the backbench hardliners.

The bill has two impacts. Firstly, from 2005 any higher education provider, primarily universities, receiving Commonwealth support under the Higher Education Support Act, would be prevented from making membership of student organisations a condition of enrolment.

Mr Hunt—2006.

Ms KING—That amendment has yet to be moved. This aspect is essentially redundant; universities already offer students a conscience objection to membership based on cultural, religious or ideological beliefs. Secondly, the bill would prevent higher education providers from making a condition of enrolment the payment of any fee that does not relate directly to the course. Whilst this is
clearly targeted at student organisation fees, it has been drafted so broadly that it captures a range of other fees charged by universities such as parking fees, library fines and accommodation charges collected for affiliated colleges. Enforcement of these policies would become a condition of receiving a payment. Thus, over $5 billion of Commonwealth funding to universities would be for-gone by universities were they to ignore those conditions and continue with their current arrangements, requiring students to pay a fee to student organisations.

The reality of this bill is that it is not just about voluntary student unionism. The reality is that this bill is about payback. It is payback not just for the battles the minister lost during his time in student politics; it is payback to students for running a campaign against this government’s 25 per cent HECS fee hike and $100,000 full-fee paying Australian undergraduate university courses.

The government bases much of its argument around the idea that membership of student organisations is a form of compulsory unionism, often invoking the idea of universities as closed shops. However, this belief says far more about the government than it does about the operation of student unions. There is a fundamental misunderstanding of the role and status of student organisations, which is reinforced by the fact that many of them are called ‘student unions’, although ‘representative council’, ‘association’, and ‘guild’ are often used in other places. They take their history from the Oxford debating clubs. As such, while many of them are called unions they are not unions in the industrial understanding of the word.

Take the case of the University of Ballarat in my own electorate. It is also in the electorates of the member for Wannon and the member for Mallee. We actually have a student association, one whose politics, I have to say, have been nowhere near that of the Australian Labor Party for a very long period of time. It is not an organised political body; it is a true student association, representing the rights of students on campus and operating student services as diverse as child care, accommodation and employment services through to assisting students’ appeals where they feel they have been unjustly treated by the university. They have rarely, if ever, throughout their history been involved in political campaigning. But I can tell you what: if anything has galvanised them to become political, it is this piece of legislation. That is exactly what has happened.

Let us be clear: student organisations are not industrial bodies and they are not unions in the popular understanding of the term. Much of the Liberal attack on automatic membership of student organisations has been based on the claim that the current arrangements infringe freedom of association. Numerous legal challenges on that basis were defeated in the late 1970s and in the 1980s. In Clarke v University of Melbourne the full court of the Supreme Court of Victoria held that the essence of the university’s powers is that they are powers of self-government, affecting only those who choose to become members by enrolment, and they cannot touch anyone else who does not voluntarily bring themselves within its reach. In Harradine v University of Adelaide, the full court of the Supreme Court of South Australia rejected the notion that the requirement to join a student association was the equivalent of compulsory unionism. The University of Adelaide union is ‘a body providing services to members of the university’ that the trial judge said ‘is not a union of the kind well known in the industrial and commercial world’. Further, His Honour said, ‘It is a students’ club providing facilities for eating, sport and other activities.’
One of the other arguments that the Liberal Party seems to put is the notion that compulsory student unionism really is something that should be done away with completely and that students should pay for services on a fee for service basis only. What the Liberal Party fails to understand is the role that student associations and student unions play within our university sector in relation to regional employment and in keeping students from regional areas engaged in university. The member for Hinkler was quite right in his contribution in highlighting those issues.

In the ACUMA’s submission to the Senate inquiry on this bill they estimated that national redundancies would be about 30 per cent of the university work force, which is approximately 4,200 people; and there would be about 1,600 full-time jobs and 2,800 part-time jobs lost, with the impact felt particularly hard in newly established and regional universities. Their original assessment was that it would mean at least 15 job losses at the University of Ballarat.

It is not only the loss of jobs at regional campuses that I am concerned about with this bill. It will have an impact on the wider community in regional areas and the very culture of and relationship between regional universities and the communities that they serve. The myriad social and sport clubs are an all important part of the rich culture and tapestry of Australian universities. No more so is that the case than in regional universities.

The effects of this bill will be felt particularly hard by regional universities. Given the nature and geography of regional Australia, students from outlying regional areas rely on university services more so than those in our inner cities. I know this from first-hand experience, having a regional university within my electorate. Welfare and academic support is particularly important at the University of Ballarat. We have a high proportion of students from low-income and disadvantaged backgrounds; a high proportion of students from small rural communities; and a high proportion of students from smaller regional cities, including students from the electorates of Wannon and Mallee. Those students need additional support, and the University of Ballarat Student Association has played an incredibly important role in ensuring that those students make it through particularly their first year of university study.

It can be pretty tough when you have had to move away from home, often not of your own will. Often that is the only choice that you have if you wish to attend university and you come from a small rural town. The support that the University of Ballarat Student Association provides to those students means that they are able to settle into university life, to find accommodation and part-time work and to continue their studies. It gives them welfare and other support while they negotiate their way through what can be a fairly complex new system and a new town. Trying to find accommodation is extremely difficult in my district.

Students who are the very first in their families to go to university and those moving from the country to study are particularly reliant upon the support provided by student organisations. Over 60 per cent of the students who go to the University of Ballarat are the first ever in their family to attend a higher education institution. They do not have a history or a pattern within their families of long-term university study, and many of them do need extra support. Student organisations make an incredibly valuable contribution to university life, and they provide vital support to students. They provide a range of essential services to students and support them to successfully complete their studies. The types of services that are pro-
vided by the student association at the University of Ballarat include welfare and academic support, subsidised health services, orientation programs, distance education support, safety and security, transport, legal services, taxation advice, student loans and computer labs.

The government’s argument—and we heard it again in question time today—is that students should not have to pay for services that they do not use. But if you took this argument to its logical conclusion then we would basically be saying to people who pay taxes that they should opt out of that system and pay only for those services that they use. We would be saying that, if they do not use those services—for example, if they do not use the road that the federal government provided some funding for—they should not have to pay for them. We would be saying that if they do not use council facilities like public toilets, sporting grounds or child-care centres then they should stop paying rates and pay only for those services they do use. All the people in my district who do not own dogs, for example, might decide that they should not have to pay any contribution to the salary of the council’s dog catcher. All those people who do not own cars could decide that they should not have to pay for parking inspectors. What about if you do not have kids? Perhaps you could decide that you do not want to subsidise council run child-care centres or swings in the local park. That is the logical conclusion of the argument that is being put forward by the Liberal Party on this issue.

But, just as we thought you could not advance a more ridiculous position, not wanting to disappoint, the minister for education came up with what we are calling the Nelson student referendum. The minister’s latest proposal is a taxpayer funded student vote on voluntary student unionism. It has been a tough compromise for us to come up with, and I suggest that the government also think a little bit harder about how they may accommodate within that prospect. Under Labor’s amendment a fee would be collected by universities for use on services for the benefit of students but would outlaw com-

Student organisations represent the interests of their members inside and outside of universities, and that is the problem at the heart of this bill. The bill is payback for the student associations and students who stood up against the government’s 25 per cent HECS fee hike—the same 25 per cent HECS fee hike that happened, surprisingly, at the University of Ballarat, where there is a large proportion of students from families on low incomes. The effects of that are currently being felt at the University of Ballarat, with enrolments plummeting this year. An unprecedented community coalition has formed against the education minister’s extreme legislation—made up of people from coalition senators to vice-chancellors to students to Olympians to actors to those in regional communities—opposing this ridiculous bill, because it destroys essential services on university campuses. This is clearly an extreme and ideological response which many in the coalition, many in the National Party, seem to have serious doubts about.

Labor has proposed a sensible compromise to protect university student services whilst giving students the choice of whether or not to belong to their student union. It has been a tough compromise for us to come up with, and I suggest that the government also think a little bit harder about how they may accommodate within that prospect. Under Labor’s amendment a fee would be collected by universities for use on services for the benefit of students but would outlaw com-
pulsory membership of student organisations, which would circumvent any opposition to it on the grounds to freedom of association. Labor’s compromise is a sensible and practical way to protect vital campus services. The minister should swallow his pride—which almost outstrips his ego in size—and take the deal that is on offer.

After four long years as education minister he is slowly but surely draining all life out of the university sector. His legacy so far in education is: reducing the number of Australian students in our universities while massively increasing the cost of university education; presiding over the most significant drop in the number of Australians in training in a decade in 2004; continuing to back a flawed federal schools funding system, which gives big funding increases to the schools which need it the least; introducing a massive 25 per cent HECS fee hike, with 60 degrees now costing over $100,000; vetoing 10 Australian Research Council grants without giving any reason for doing so; increasing the size of the education bureaucracy from 1,481 in 2001 to 2,014 in 2005, despite the government saying that they were going to decrease the Public Service and decrease the bureaucracy; increasing his ministerial powers and bureaucratic red tape and giving himself the power to defund schools and reject university and TAFE courses; politicising the Australian flag; and bungling the implementation of the Parent School Partnerships Initiative by tying up Indigenous communities in red tape. What a great legacy from this education minister! Now, to finish off the year, he is out to destroy student services and to crush student organisations.

I support the amendments which will be moved by the member for Jagajaga. They are based on common, good sense and are a practical way to protect student services. They provide the government with a sensible compromise that I am sure the National Party could support and live with. It is now only the Liberal Party that needs to go back to the drawing board, to look into its heart and to see whether it is prepared to either protect student services or make sure that student services are destroyed in an ideological attempt to get at compulsory student unionism. This minister needs to get over himself. He has brought this debacle on himself and he should stop trying to play student politics and start to act to protect student services, not abolish them in this ego driven frenzy that is his VSU legislation.

Mr Bruce Scott (Maranoa) (8.07 pm)—I rise tonight to address the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005, where provision has been made for the abolition of compulsory student union fees. There are several reasons why I support the abolition of compulsory student union fees, many of which I have formed from meetings with constituents, from inquiries and from first-hand experience of coming from a rural community, of raising my children in a rural community and of having to send my children away to university for their higher education. It is with first-hand experience that I address this bill tonight, but I will talk about my own experiences later.

Let me first talk about our rights as Australians. All in this country have a right to the freedom of speech and the fundamental tenet of a free democracy with freedom of association. We have the right to access affordable health services. We have the right to access affordable communications in this country. We also have a right in this country to access basic education. Today, I believe it is important that people are able to afford access to higher education. This right is becoming a financial burden on many university students.
across Australia. Without the passage of this bill, many students, right across the higher education spectrum of Australia, will be denied their right to freedom of association. For years and decades past, students have had to pay a compulsory student union fee merely to go to university whether they attended the campus or whether they were an external student. So often they pay those fees for services that they will never see or, for many of those on campus, will never utilise.

Universities argue that student organisations provide services such as taxation and legal advice, child care, counselling and other health services and recreational and sporting facilities. We have all heard about it—we have all heard the arguments put by the student unions—but are all of these services actually used by each and every student who pays that fee? The answer is no. In fact, many students resent paying the compulsory fee. Year after year, as I travel through my electorate meeting with constituents, parents who struggle to afford to send their children away to university ask, ‘Why do I have to pay this compulsory up-front fee before I have to put out any money for accommodation, living expenses and the fees to the universities?’

So many students do not even know what the services are or what they might include and, when they are told, many of them do not even realise that they were available and probably would not use them anyway. This is certainly the case for many students who study externally, and I want to talk about some of those students tonight. I have with me some figures on the percentages of students who study externally to the universities in Queensland. These universities impose a 12-month fee entitled ‘the compulsory student unionism fee’, which these students are forced to pay or penalties will apply. Some of the penalties are monetary in nature and, often, the student’s results are withheld pending payment. That is the sort of tactic that some universities use to get this compulsory fee from students who, if they were given a choice, would not pay that compulsory fee.

Let me run through some of the universities in Queensland and list for the benefit of the House tonight the cost of those fees to students and the percentage of the total number of students at those universities that study externally. Let us first look at the Griffith University. Five per cent of the students study externally and each still has to pay that $256 compulsory student union fee. For new students, it will be $306 each. The fee has gone up for new students at Griffith University, from $256 to $306, notwithstanding they will never access the campus. At the Queensland University of Technology, five per cent of students study externally. They have to pay $242 in a compulsory fee to study externally from QUT in Brisbane. The University of Queensland has a similar figure. Five per cent study externally. External students there have to pay a compulsory union fee of $272 merely because they are students.

Mr Deputy Speaker Lindsay, in your own city—in that wonderful paradise in North Queensland that you so often talk about—my understanding is that seven per cent of the students who study through James Cook University do so externally to the campus. They pay $275 in fees—a compulsory fee—yet they will probably never visit the campus. Whilst ever they study externally, they will never have the opportunity to participate in or benefit from some of the services that are provided at James Cook University. At the University of the Sunshine Coast, 15 per cent of students study externally. There they pay $210. At Central Queensland University in Rockhampton, which has an external campus in my electorate of Maranoa, 29 per cent of the students study externally. They
have to pay $264 per year in compulsory fees.

Let us look at the other university on the edge of my electorate. A staggering 75 per cent of students who are enrolled in courses at the University of Southern Queensland study external to the campus, and they have to pay $360.80 per year in compulsory union fees to study through that university. So the University of Southern Queensland have three-quarters of their students enrolled on an external basis and not participating in on-campus classes, but the students are still expected to pay the highest compulsory fee out of all the universities in Queensland. External students are just that: students who are studying away from, external to, the university campus. They do not need access to the services provided allegedly for the benefit of all students at the university, because they are not there to utilise them. It is a simple notion and goes to the heart of my argument: services provided by a university should be paid for by the user. That is the world in which I grew up, and that is the world in which we live today. The current compulsory payment is forcing many students, particularly those studying externally and those from rural communities, into financial hardship, and it is taking away their fundamental rights and their right to choose.

I mentioned earlier that I had some personal, firsthand experience with my own children, who had to study and move away from home to gain access to full-time university courses. I have three children with university degrees and all three lived on campus and off campus for a while. None of them had any benefit from the compulsory fee that my wife and I, as parents, had to pay merely for them to start their university courses each year at the universities they attended in Brisbane and in Sydney. One of my sons got the university blue for athletics, and we are very proud of him. He ran in the grand prix circuit around Australia and was the Queensland 800-metre champion, running for three years in a row. In fact, he won the Great Court Race three years in a row at the University of Queensland. We all recall the great image from Chariots of Fire. My son won it three years in a row and was university blue. He was not helped in any way by student unionism, notwithstanding that we as parents had to pay a compulsory fee for him and our other two children at university. So, when I say that I speak from personal experience, I have had that personal experience within my own family and understand very much the financial impact that that had on us as parents when we sent our children away to live away from home in order to gain access to a university and further their education. My eldest son played football for Queensland. He was not helped by university student unionism, yet he still had to pay the compulsory union fee. He had no choice.

So I speak on behalf of all the people out there tonight, across Australia and in many parts of the world, who study externally through our universities in Australia and who struggle to earn enough money to send their children away to university. Then there is another group of people out there—single parents who, through whatever misfortune in their lives, find themselves in circumstances where they really want to and need to gain a further education. For some reason these people have been left behind but are at a stage in life when they want to go to university and to better themselves—and I have met such a group of people on a number of occasions. In order to study externally, they also need to have a part-time job to support themselves. I can assure the House that they really resent having to find the money for compulsory student union fees before they even get access to the course they want to study. I have spoken to single mothers in these circumstances. They are working in
part-time jobs and are really doing it very hard, but they are absolutely determined to better their way of life. I admire those people because they are not going to be left behind; they want to improve their lot in life. They need to be congratulated.

Then there are the people in rural Australia who work for councils and in small businesses—I have them in many parts of my large electorate of Maranoa—and they are in the same circumstances. They struggle to send their children away to gain access to further education. In some cases, those parents are making decisions about the survival of the family in that community or whether to send their children away for further education. So often it is the latter option that suffers, because they do not have the financial means. They often say to me: ‘Why do we have to pay this upfront fee before we can even access the university campus? It is a burden on the family’s financial resources.’ I speak on behalf of these people, advocating that this bill must go through to see the abolition of compulsory upfront student union fees across Australia.

We have heard from the Labor Party that they support the element of voluntary student unionism. I find that a great irony and a conflict of policy by the Labor Party. Here they are, saying, ‘We support what the government has tried, in part, to do in this bill,’ but when it comes to our industrial relations legislation they still want their union involvement in every workplace. It is a great conflict of policy from the Labor Party. We know what would happen: if they were in government, they would bring back compulsory student union fees across Australia as a payback to the unions.

What we have heard from the Labor Party is gross hypocrisy and opportunism. They are trying to present themselves as a party moving forward. They cannot have it both ways: either they support unions in the workplace or they do not. They said tonight that they support voluntary student unionism, but we know that that is in conflict with the policy they took in relation to the industrial relations legislation that passed the Senate last week. The community out there should not be fooled by the Labor Party. They should look at the Labor Party’s record when it comes to saying one thing and doing another thing in office. If they were ever returned to government, they would do quite the opposite.

The issue of wanting to ensure that universities are able to provide services has been raised in our own joint party room. Where those services are not provided in the future through current funding streams—if they are legitimate services that are competitively tendered for and not influenced by a union but are essential services that would not otherwise be provided through the normal funding streams—that is an issue that I think we all have an empathy for. But that should not hold us back from passing this legislation this week to make sure that universities next year are able to start down the track of removing compulsory union fees from thousands and thousands of students, both young and old, studying externally or on campus or whether they are part-time or full-time students. We need to lift that burden off the back of those students and give them the right to choose whether they wish to belong to the union or whether they want not to belong to the union. That is the fundamental tenet of a free, democratic country. We must at all times preserve freedom of association. It is a tenet dear I know to this side of the House. I know the other side of the House are always looking at their union bosses, their factional mates, as to whether they will get preselected for the next election. They will be doing as their union bosses tell them. I hope we are able, with the passage of this
legislation, to see the end of compulsory student unionism in this country.

Mr GIBBONS (Bendigo) (8.25 pm)—It is great to be speaking to a packed chamber as usual! Labor opposes the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005, and I will be supporting the amendments to be moved by my colleague the shadow minister for education. I intend to illustrate the impact of this obnoxious legislation on La Trobe University in Bendigo, which is an important campus in my region.

Firstly, Labor will always strive to defend the ability of students to protect their own interests. This bill, if passed through the parliament, will mean any higher education provider, primarily universities, that receive Commonwealth support under the Higher Education Support Act will be prevented from making membership of student organisations a condition of enrolment. What we do not hear from members opposite is the fact that students already have the option of opting out of membership of student organisations. In reality, virtually none of them avail themselves of this option, which illustrates the complete lack of understanding of this matter by those opposite.

This antistudent bill also requires higher education providers to ensure that making a ‘condition of enrolment’ means that payment of any fee for the provision to students of an institution, facility or service that is not of an academic nature is totally prohibited. Voluntary student unionism, according to the Howard government, means that students will have the choice about whether they pay their memberships to the students association. The rhetoric behind this argument is based on freedom of choice—or so members opposite would have us believe. The Howard government argues that students should exercise their freedom of association and therefore should be able to have the right to choose whether they want to join the student organisation.

This rhetoric of freedom of choice is a farce, as a university that does not have equitable access or sufficient resources effectively decreases student choices. The students associations are the only voice where students can collectively defend their rights. The Howard-Costello government’s move to introduce voluntary student unionism will destroy a range of essential services at La Trobe University in Bendigo and for university students across Australia. This plan to abolish universal membership of student organisations will mean the end of subsidised child care, health care, food services, entertainment, sporting clubs, accommodation advice, counselling and other student support services.

The federal government is playing student politics with its blatantly ideological attack on student organisations. This is a clear payback to students for daring to criticise the Howard government’s massive HECS hikes. Student organisations are a vital part of campus life. Fees go to supporting a range of vital services to help students complete their degrees. La Trobe University Vice-Chancellor Professor Michael Osborne has publicly said in Bendigo that if the Howard government’s VSU bill is successfully passed through both houses it will potentially add another $7 million to La Trobe University’s budget. Australian universities do not have the funding to pay for services normally provided by student associations, especially after $5 billion of Howard-Costello funding cuts.

Senior International Olympic Committee member Kevan Gosper and Australian Olympic Committee President John Coates have warned about the devastating impact the proposed changes will have on a univer-
Having such an organisation provides students with choices. Without this they would not have the ability to fight for campus conditions and against regressive government policies which directly inhibit students' ability to access higher education and other social privileges. If students were given the choice of whether or not to join the student organisation, they would potentially be underfunded and the kind of work that they are able to do, like providing much-needed services and an active voice for students to voice their dissent, would become obsolete.

It is this active voice aspect of student associations’ activities that has angered the Howard-Costello government. Student associations have often organised themselves to oppose obnoxious federal government legislation, like the massive hikes in HECS fees and the overall reduction in university funding. This is what angers the Prime Minister and, I suspect, the Treasurer, whose fingerprints appear all over this bill. In fact, the Treasurer cut his political teeth in student associations. Now, after that experience launched him into federal parliament, he wants to tear down the very organisations that helped him enter parliament. I have no doubt that, if it were not for the Treasurer’s involvement in student associations, he would not have had the intelligence or the organising skills to gain then preselection for his seat of Higgins.

Then again, I may be wrong. Organising skills can be hereditary. Take the example of the Treasurer’s great-great-grandfather, Pat Costello. He had organising skills. He was the first Australian member of parliament to be jailed for electoral fraud. After receiving his sentence, he was able to organise a petition to get himself out of jail—not an unremarkable achievement. I guess some of his organising skills may have flowed on to his great-great-grandson. Maybe the Treasurer is a chip off the old block. No doubt the Treasurer learned a lot from his student political activity, which is probably just as well because I am sure he would never have survived in the corporate sector and his legal career was less than spectacular.

The Treasurer, who is a former university student association activist, used to delight in lampooning Labor MPs who were part of political dynasties. He could hardly contain himself when the opportunity arose to ridicule the Beazleys, the Creans, the Fergusons and the Fitzgibbons. Of course, what he did not talk about is the Costello political dynasty, which dates back to one of the first Victorian colonial parliaments. The Crean, Beazley, Ferguson and Fitzgibbon political dynasties involved state and federal MPs, all of whom served their states, nation, respective parliaments and parties with great distinction. The Costello political dynasty involved Pat Costello, who was a criminal who was caught, tried, convicted and jailed for electoral fraud.

It often amuses me that the Treasurer has not mentioned Labor’s dynasties since 18 February 2002, when I first mentioned the name Pat Costello in this parliament. He dare not speak the term ‘political dynasty’ and little wonder when the Costello political dynasty involves criminal activity. After his feeble attempts last week and this week to extract himself from the scandal of appointing a tax cheat to the Reserve Bank board, I suspect the Treasurer is a chip off the old block. The Treasurer could not cut the mustard in the Labor Party, which is why he left and joined the conservatives. He inherited the strong economic foundations—
that, if he wants to attack another member, he has to do it by substantive motion.

Mr Dutton—Mr Deputy Speaker, I rise on a point of order. With due respect, those comments are completely outside of the standing orders. I would ask you to ask the member to withdraw them.

The DEPUTY SPEAKER—I think the member for Bendigo should withdraw some of those comments. If you want to attack a member in this place, you have to do it by substantive motion.

Mr GIBBONS—Mr Deputy Speaker, I do not want to disagree with your ruling, but there are precedents. I have made this speech in parliament before and I was not asked to withdraw.

The DEPUTY SPEAKER—There is no opportunity to debate my ruling. Withdraw.

Mr GIBBONS—I do not want to debate your ruling, and I will withdraw. But you tell me which parts I should withdraw.

The DEPUTY SPEAKER—The parts about criminal activity.

Mr GIBBONS—I will withdraw the term ‘criminal activity’. The Treasurer could not cut the mustard in the Labor Party, which is why he left and joined the conservatives. He inherited the strong economic foundations put in place by the Hawke and Keating governments and, since then, it has been smooth sailing—apart from the last week, of course. It is rather like the Menzies years, after the rebuilding of the national economy by the Chifley government in the post World War II era.

The fact is that, in practical terms, small student association membership fees are nothing compared to what students would be paying to the university administrations if student organisations did not exist. It may seem that having a choice about membership of a student association is appropriate but in reality having voluntary membership actually inhibits the choices of others, including their access to university and the quality of education received by students. Without student organisations to provide services and actively fight government attacks on higher education, students and the community would not be able to become a voice of dissent against regressive policies, something that the Howard government has made an art form of. All government funding cuts to universities would proceed with hardly any dissent. The privatisation of universities, while existing today, would grow substantially. Instead of the facade of a publicly funded education system that exists currently, universities would probably be more heavily privatised.

A student association is more than an active and open organisation that provides services and organises campus conditions. It is the only independent area on campus that can represent student voices. For example, academic appeals are an important function of the student association where they fight for students’ rights in their degrees. Student organisations also help the ever-increasing number of people who go back to university to reskill and better themselves through education. They make sure that the students can afford the child care that they need. Student association child-care centres provide not only subsidised child-care places but also many very flexible arrangements that parents would be hard-pressed to find at other child-care centres in the local area. Without this valuable service—and it is under considerable threat if this legislation gets through this parliament—many parents who are students simply would not be able to afford child care and, therefore, would not be able to stay at university.

The positive role that student organisations have played in cultivating active citizenship must not be forgotten in this debate.
That is true across the political spectrum. I mentioned the Treasurer’s role before, and we have seen this for a number of people in senior positions in the government apart from the Treasurer. As the member for Jagajaga has said, the Minister for Human Services, the Minister for Health and Ageing and the member for Wentworth were all active members of their student organisations and they gained considerable expertise when they were in those student organisations—expertise that has assisted them to go on and play the roles they do in the public life of this nation. Now they too appear happy to tear down the very organisations that helped them in the past.

Obviously, people from all sides of politics, members of the judiciary, leading figures in the arts and the media and many public commentators have cut their teeth in student organisations. That experience will not be there for students any longer. If the ideology and arrogant excesses of this government see this bill become law, the positive influence of student organisations on society and democracy will disappear.

As my colleague the shadow minister for education said in her opening remarks, we will be fighting this legislation, which will be most damaging to the services provided to students on our university campuses. We will do everything we can to convince the Senate not to be blinded by this government’s ideology and the settling of some very old scores. We will do everything we can to protect student organisations from a government determined to do away with some of the most important services on our university campuses—services that provide so much of university and campus life, services that can make a difference to so many disadvantaged students and services that make sure sporting facilities are affordable. Labor will continue to fight for all these things against an ideological attack by a government determined to settle an old score, with a lot of government members having failed in their days of student politics.

As I said earlier, this bill is a thinly concealed assault on Australia’s students who dare to show independence of spirit and a healthy questioning of government policy. I can prove this. If the government is so set on making membership of these self-help bodies discretionary, why doesn’t it ban the Australian Medical Association from demanding fees from young doctors? Why doesn’t it ban young lawyers from being forced to pay fees to their various legal organisations? Why is the principle any different for university students? I will tell you what is different: the Howard-Costello government has more mates in the medical and legal worlds than it does on our university campuses. It is happy to destroy the self-help, common-good approach exercised by our students but keeps a healthy distance away from applying the same standards to its mates.

I think there is another important point here: student union fees are all about the common good, about the entire student body being able to provide the assistance, networking and safety net so absolutely vital to young people just setting out in life. This government has no understanding of the concept of the common good—unless you are a doctor, a lawyer, a Prime Minister or a Treasurer. It would be secretly happy to sentence our young to even worse conditions than they already endure. It would revel in the idea that these independent thinkers will not have access to all the services they now have, because this government is under the stupid delusion that it is whacking its ideological enemies. It sees students as independent thinkers, critical of governments, questioning society, and this government cannot stand that. I do not blame it. If I were as mean-spirited and as morally bankrupt as the mob opposite, I would be very leery
about anyone taking too close an inspection as well.

Those occupying the benches opposite like to say they support the concept of user pays. Let me ask them: isn’t that what is already happening on our university campuses? Aren’t those who are using or most likely to need the services also the ones who are paying for them? I can imagine what is going to happen if this anti young people, mean and cruel legislation is passed. What support services our students already have cobbled together will become impossible to maintain. Their support services will close and this government, which pulled the safety nets from beneath our young, will look the other way and say that it is not their fault, that they did not decide to close the services. Then they will wonder why so many more social problems are exploding all over our universities, why so many more are not making it through to win their degrees, why so many are turning up on jobless queues, why the Centrelink queues are suddenly longer and why the health and wellbeing of the young are suddenly taking a downturn.

In my own electorate there are already far too many young people in deep financial, emotional and physical strife. The general unemployment rate in the electorate of Bendigo for the December 2004 quarter was 9.2 per cent—4.1 per cent higher than the national average of 5.1 per cent.

Mr Dutton—What was it under Labor?

Mr GIBBONS—That was 10 years ago. Teenage unemployment in our region is simply too high, at 17 per cent. The minister at the table has direct responsibility for that, having that as part of his portfolio.

Mr Dutton—What was it? It was double that under Kim Beazley.

The DEPUTY SPEAKER (Hon. IR Causley)—Order! Minister, you do not have the call.

Mr GIBBONS—If the national unemployment figure were 9.2 per cent, there would be a major scandal, yet central Victoria is expected to tolerate unemployment levels approaching double the national average. The Australian Bureau of Statistics figures show that one in five people who work part time want more work than they currently have and 90 per cent of new jobs created in March were part time. Instead of helping local people to get skills to find work, the Howard government is turning thousands of people away from TAFE and universities and is importing skilled labour from overseas. To the well-heeled, well-fed members opposite, these appalling figures are probably just a string of statistics, but to me and my community they represent our young, our next generation and our best hope. Too many are already finding themselves in poverty traps, isolated in their own neighbourhoods without hope and with few prospects for the future.

One of the bright spots on the horizon for the young of my electorate is La Trobe University Bendigo or other universities in regional Australia. They are seen as pathways to hope and a life better than those of their mates who have already fallen by the wayside. One of the elements in keeping this hope alive, bright and real for so many is that at university there are systems, processes and supports which can be used to build a better life. This damnable bill dims that light. It says to our young: ‘Do what the heck you like, but don’t organise to try to make your lives better, because this government is too glass-jawed and too mean-spirited to stand the thought of you.’

This bill represents classic dog-in-the-manger politics from the Prime Minister and classic mangy-dog politics from the Treasurer. This bill, those who drafted it and those who support it will stand condemned by a generation. I urge the government to save
what is left of your morally deficient reputations and junk this bill now.

Labor’s sensible compromise amendment would protect university student services while giving students the choice of whether or not to belong to their student union. The Howard government’s latest proposal, taxpayer funded student votes on VSU, is just a smokescreen designed to cover up the real agenda, which is destroying student services. The only way to save university student services is to allow all universities to levy a compulsory fee for amenities and services. The federal government should be spending taxpayers’ money in more important areas, like providing more university places, and not wasting millions of dollars on political campaigns to settle old scores from student politics in the seventies.

The minister’s latest spin on VSU misses the whole point. Student services are essential, but compulsory union membership is not. Under Labor’s amendment a fee would be collected by universities for use of services for the benefit of students, but compulsory membership of student organisations would be outlawed. It would outlaw compulsory student union membership; allow universities to charge a compulsory services and amenities fee; specify a range of amenities, facilities, activities and services on which moneys collected may be spent, including child care, sports facilities, advocacy, counselling, orientation information and cultural activities; introduce tough new accountability and reporting requirements for universities to make sure any money collected through a compulsory student amenity fee is used in accordance with the law; and require universities to levy fees on a pro rata basis for part-time, external and distance education students.

Labor’s compromise amendment is a sensible, practical way to protect vital campus services. Labor has moved beyond the Liberals’ tired old debate about compulsory student unionism, where they are still fighting the campus battles they all lost in the 1970s. The Howard government should stop playing student politics and protect vital campus services under threat from this extreme, ideological so-called voluntary student unionism legislation.

Mrs HULL (Riverina) (8.43 pm)—Sometimes in this House there are varying points of view. But it is so hard when you follow such a vitriolic and inane speech as that we have just heard from the member for Bendigo. It was not interested at all in the issues, the to-and-fros. It was only interested in denigrating the Treasurer to the greatest extent and using up valuable airspace here in order to do that, rather than focusing on the issues at hand. The member for Bendigo has just provided us with one of the most outrageous, vitriolic speeches, and it was on something that should probably be more important to him. It deserved more importance, certainly, than what he put into that speech.

I am neither interested in nor concerned about a potential diminution of available recruits and recruiting camps for the Labor Party from university unions. What I heard the member for Bendigo speak about were people in the community who are less fortunate and who currently lack hope and experience major despair simply because there is nothing in their world to look forward to. That amazes me. If that is the case, they certainly have no hope in being able to pay fees that might be imposed upon them compulsorily.

Having said that, I would add that I feel like a veteran on the issue of voluntary student unionism. The first piece of correspondence of many here on my bench that comes to hand is dated 9 March 1999, when the Hon. David Kemp was Minister for Educa-
tion, Training and Youth Affairs. At that time, I took this issue up most passionately on behalf of Charles Sturt University, which provides an extraordinary service in my electorate. I recall being extremely passionate about the need for absolute acceptance of voluntary student unionism.

I have no argument with VSU. No student should be forced to join in union activity. No student should be forced to pay for union activity. With both the previous minister, Minister Kemp, and the current minister, Dr Nelson, I have supported the view that no student should be forced to pay a compulsory student union fee. I have canvassed both sides of this issue to the point where I can see both sides of the debate. For many years, I canvassed strongly on the principle of putting VSU into place and not forcing people to be compulsorily recruited into unions at university, when they are at their most impressionable, feeling great peer pressure and greatly put upon. In contrast, I recognise not only the valuable service that my university provides but also its proximity to the local community, its distance from town and the various services it runs in order to ensure that any student attending Charles Sturt University has a quality of life on campus.

There is no doubt in my mind that Charles Sturt University in Wagga Wagga and in all its other campuses currently offers the very finest of educations. It is one of the premium universities. It plays an extremely important role in our community and is responsible for an enormous amount of investment into our rural and regional cities and towns. I feel that the university has so much to offer, such as a bus service for students to travel to and from the university. That bus service also collects new students when they come into town to attend Charles Sturt University and is used for distance Ed and part-time students who come in occasionally. They are able to enjoy this bus service free of charge. It travels to and from social events that are held on campus and offers an extensive service, during residential schools for distance education students, to and from airports, railway stations, bus terminals et cetera. That very good transport system provides a valuable service for students; it is required by them when no public transport system is operating.

I do have concerns that the subsidisation of this bus service could be in jeopardy. People sometimes ask me, ‘Is this like a Telstra issue for you?’ No, it is not. With the sale of Telstra, I believe that the least number of people supported it and the overwhelming majority opposed it. With VSU, that is certainly not the case. In my electorate, significantly more people would support this bill in its entirety than those who would oppose the bill.

Sometimes I think there is no clear recognition by families who so wholeheartedly support this legislation of exactly what is provided by universities through a services fee outside of the compulsory union fee. At Charles Sturt University, we have a student union, which provides services and cultural facilities. We also have a sports union, which provides recreational facilities. We then have the all-famous student representative council, which provides the political voice of students. That component has the political voice of students, but it also gets a minority of the funds that are collected from students.

Rivcoll Union at Charles Sturt University is made up in equivalent parts by the student union and the sports union and it has no student representative council members. Rivcoll Union provides services and cultural and recreational facilities; it does not have membership from the student representative council, which makes up the political voice or the union component activity at Charles Sturt University.
As I was saying, I think that many of the families who have approached me wholeheartedly supporting this legislation in its entirety may not understand that, when their child leaves home and goes to university, the sorts of services that are coming out of that services fee could be in jeopardy. The families may not be able to provide their child with a car and with insurance, petrol, maintenance and registration for the car. Some students—their children—will have to live off campus. They will be renting accommodation. They may need lawnmowers and other things to assist them in that rented accommodation, and generally there is a pool of things free of charge for them to borrow to fulfil landlords’ requirements. I am not sure that there is a full understanding from the parents across my electorate of the valuable component of services that are provided out of much of the compulsory fee that is levied. It is a great difficulty trying to explain this.

But I am opposed to the idea of compulsory student union fees. I have had raised with me, time and time again, that, to date, these student union fees may not have been administered in the best possible way, but I do not believe for a second that Charles Sturt University falls into that category. I see how some of the metropolitan universities may abuse this amenities fee for political purposes, staging political rallies et cetera, but, as I said, Rivcoll Union does not have any component of that within its student union or sports union councils.

I do recognise that not everybody studying at university wishes to be a member of a student union and be involved in associated activities. Many distance education students who are studying at Charles Sturt University have contacted me. These students still pay a compulsory student union fee but are unable to use the on-campus facilities simply because they are distance education students. Another group of students who must pay the compulsory student union fee are those who study part time. Not all students want to use a gym, the pool or the campus bar; many just wish to carry out their studies, combined with their lives away from university, such as full-time work or the responsibility of being a parent.

The thing that bothered me so much was that I had been made aware of instances where students had been threatened with losing access to their results for the semester if they did not pay their student union fees. That is clearly not appropriate. Again, many students who have been in touch with me are opposed to the idea of having to be a member of a union, yet they are forced to pay the fees in order to complete a university course.

I have also listened to much of the debate from the members on this side of the House, and some very valid points have been raised. Unlike the member for Bendigo, who just had vitriol and hate coming from his speech, some of the members have made really good contributions. They have said that they have people in their electorates who are on low incomes—and I have low-income families in my electorate as well—who find it very difficult when they are confronted with an up-front payment of a student union fee. They find it very difficult to find the money for that up-front payment and are sometimes penalised by people, by the withholding of results, because they have not paid the fee.

They can pay off their HECs—that is an end result—so they can still have their education. This was raised most intelligently this morning. You can pay off your HECs fee later, when you are getting an income. But when you are struggling—say, you are from a farming family, you have had no income for five years and you think you are giving your child an opportunity in life to have an education so that they can transfer themselves out of the low-income or poverty-
stricken cycle that they are in—being confronted with an up-front payment of fees is daunting and difficult for many families. I have received representations along those lines as well, but I cannot help also recognising the serious contribution that Charles Sturt University makes without the imposition of politics within it.

I would have liked to have seen more discussion in this debate from both sides of the House, particularly from the opposition side, about having a compromise—and obviously an amendment is to be put up that may be a compromise—and to work out exactly how this whole process could be managed. I think everybody recognises that the issue is dead. Compulsory student unionism is dead. It should no longer apply in any area in any university. But I firmly believe that there should and could be, with appropriate management, a levy for service, for cultural and recreation needs, to ensure that life on a university campus, particularly a regional one, is productive, rewarding and a very good part of one’s younger years. Maybe the levy would have a specific set of guidelines or criteria that certainly would exclude channeling any funds into any political voice, function or activity of students or student councils. It should only be used to enhance and support student services and facilities. I am concerned that it may be a bit difficult for Charles Sturt University to find the money now to kick in these services straightaway.

I have had it said to me as well that every university should be able to provide these services. One of the members happened to say in a very heated committee meeting that I was attending that, if a university was not able to provide all these services, it should not be entitled to get any funding from the government. I certainly do not agree with that, because I think that regional universities provide significant benefits, not only to students but certainly economically into the communities that I represent.

Debate interrupted.

**ADJOURNMENT**

**Mr John Patrick Ducker**

Tonight I rise to pay tribute to a giant of the labour movement in New South Wales—John Patrick Ducker. Outside of one’s immediate family, it is a little rare to have someone who has a profound influence on your life and career over a period of 30 years. However, in my case I was fortunate to have one such person—John Ducker. In my first speech in this place, I said:

It would also be remiss of me if I did not mention John Ducker, a long-time mentor who has had a significant influence on me.

I went on to note that John Ducker was a man who, in addition to his success in the corporate world, had maintained his dedication to his family, his church and the labour movement. Sadly, after a long illness, John died on 29 November. I take this opportunity to pass on my sincere condolences to his wife, Valerie, his sons, Paul and Tony, and their families.

It was 55 years ago that a young John Ducker arrived on these shores as an assisted migrant from England and from these beginnings set out on a career chronicled by reform, commitment and success. Neville Wran once said that John Ducker was the most significant Yorkshireman to come to these shores since Captain Cook. From his earliest days as a rank and file member of the Federated Ironworkers Association, to shop steward and through to becoming Secretary of the Labor Council of New South Wales
and Vice-President of the ACTU, John was Labor through and through.

Much of the reform within the labour movement was brought about during his period as President of the New South Wales branch of the ALP. Between 1972 and 1979, as a member of the Legislative Council of New South Wales, John ensured that much of the workplace developments that impacted on public policy found their way into legislation under the Wran government.

I refer to him as a tough and determined leader, but that would be an understatement, particularly to his opponents. However, I also knew him to be a very kind and generous man who went out of his way to assist my career. He assisted me from my earliest days as a young union official right through to when I established my business as a mediator. He also went on to assist me in building relationships with major companies and corporations throughout the country. John was a great source of encouragement in the lead-up to my election as member for Werriwa.

In addition to his involvement in the labour movement, John will be remembered for his distinguished service to the New South Wales Public Service Board, of which he later became chairman. He was the second longest serving member on the board of Qantas and also served on the boards of Aristocrat and Hills Motorway. John also demonstrated enormous commitment and dedication to community service, serving as Chairman of the Mona Vale Hospital and the Manly-Warringah Area Health Service boards, the New South Wales Ambulance Service board as well as the Duke of Edinburgh Trust and Workskills Australia. His commitment to secondary education in his local community was shown during his time as Chairman of the Mater Maria Catholic College council.

Central to John’s life was his church. He was a very devout Catholic and an enthusiastic participant in his parish of the Sacred Heart, Mona Vale. Throughout his political life, he ensured that his actions were consistent with the doctrines of his faith. In recognition of his public work, John was appointed an Officer of the Order of Australia and, in recognition of his service to the Catholic Church, John was made a Knight Commander of the Order of Saint Gregory.

John was always a person I could call on for impartial advice. He was never one to tell you what he thought you wanted to hear, but before commenting he always weighed up competing views. John’s advice was not only impartial but always well-reasoned and considered. I think the former Premier of New South Wales Barrie Unsworth best summed up John’s career when he said: John Ducker successfully led the Industrial and political Labor in New South Wales to attain lasting benefits for all working people.

I am very fortunate to refer to John Ducker as my mate.

Family Law

Mr CAUSLEY (Page) (9.04 pm)—I wish to raise a matter on behalf of a constituent related to access to children under the Family Law Act. My constituent had been denied access following the break-up of his marriage.

When my constituent first consulted a lawyer, he was told that the costs of gaining access to his children were probably about $23,000. The lawyer quizzed my constituent closely about his assets. My constituent was denied legal aid. However, his wife was granted legal aid, even though she was employed on a reasonable salary. As the costs mounted, my constituent raised with his lawyer the mounting costs and was told that $50,000 was reasonable in these instances.
Had my constituent been told this initially, he may not have proceeded.

The initial hearing was set down for five days in the Brisbane Family Court in May 2004. The judge excused himself because of ill health. Legal representatives sought and obtained costs, but my constituent and his witness were offered nothing. My constituent won the case for access in the Brisbane court, but the wife appealed. With legal aid granted, there were no financial constraints on the wife. Orders were put in place for access, but the ex-wife continually breached these orders with no penalty.

In November 2005, my constituent was informed that he had lost the appeal case and the matter had to go to retrial. This was another $19,000. This is a gravy train for lawyers. Non-custodial parents have no rights, and court orders are impotent. The court appointed a sep rep to represent the children independent of the parents’ representation. However, it was evident during the process that the sep rep was regularly communicating and liaising with the mother’s legal representation offering support to her side. This was neither fair to the father nor to the children. The children, aged 10 and five, are very vulnerable in such circumstances.

After expending significant funds—in fact, $100,000—borrowed mostly from my constituent’s parents, and with continual breaches of court orders and long absences from his children as a consequence, my constituent now believes that the matter may have been resolved. His ex-wife has offered the children for holiday access with a promise of Christmas with their father. Now he waits in hope that the children will arrive and he will not have to again bankroll the legal profession in a vain attempt to ensure he maintains contact with his children. Surely our family law system can hold custodial parents accountable in the event of breaches, at no further expense to the non-custodial parent and, most importantly, in the best interests of the children.

The legislation must be changed to allow access for fathers and mothers in the best interests of children. If this were a single case, it would not be so bad, but I know that other members of this parliament have made plaintive pleas similar to the one I have made tonight, and I have numbers of instances on my books.

I would like to relate one instance in particular to the House—a custodial parent, who in this instance is the mother, who has the custody of the children, but who has a drinking habit. The court has been told that the problem is that most of the time this mother attends at a pub. The children go from school to the hotel to see their mother. The mother tells them that she is going to buy them dinner but that never occurs and the children have to hang around the hotel until 10 o’clock at night. Then they are taken home with no dinner. They are not bathed. They are put to bed and sent to school again the next morning. The court knows this and the court is doing nothing about it.

I know that this government is intending to change the Family Law Act, but it has to be done sooner rather than later. There are too many instances of this, and the only sufferers are the children.

Children: Books

Ms BIRD (Cunningham) (9.09 pm)—In the final sitting week before Christmas, I want to take the opportunity in the House to touch on a subject that is particularly close to my heart, being an ex-teacher. It is to encourage the many families out there in the midst of their Christmas shopping to stop and consider the importance of purchasing books for their kids for Christmas. This was a tradition that I followed with my two sons. Through all the fads of rollerblades, iPods
and PlayStations, we consistently gave the boys a book each at least for Christmas. The joy and pleasure they got out of that has given them a lifelong love of reading. There are very few things that we as parents can give our children that are as significant to them in their lives as an appreciation for books and a love of and confidence in reading.

In order to encourage this in my own electorate, with each of the newsletters that I put out to the community—as I am sure we all do in this House—I have been including a colouring-in competition for kids. I have been inundated with entries in that. The reason I do it is that the prize that goes to every child who enters is a book voucher. The intention is to encourage them to take up the opportunity to purchase books, to enjoy reading and to become confident readers. It is very important to encourage young people.

In this House and outside in the community, we have many debates about the best ways to teach reading and about the importance of reading. The reality is that the great appreciation and value of that comes from the home. Children who see their parents read and who are encouraged to read themselves become confident readers. It is one of those things that too often we can overlook. It is a simple thing but a very profoundly important one to children.

Out of the colouring-in competitions, I am very proud to say that I have given away 200 book vouchers. I know that all the children have enjoyed that. Many of them write to me to indicate what book they bought and what they thought about the book. There are a few potential reviewers amongst them and they have given me very interesting feedback on the books that they have purchased. I would like to put on record that the four winners so far have also won a copy of the fabulous Australian book *Possum Magic*. Those winners are Sally Pentecost from Bulli; Matthew Gallina from Balgownie; Nick Allen from Balgownie; and Jordan Armstrong from Corrimal. Those four young people have come in, had an afternoon tea with me and received their awards. They have inspired me with their great appreciation.

When I started the competition, I wondered how many kids would be interested in entering something where a book was the prize, not money or one of the new games or music DVDs that are so popular. I was very encouraged by the strong support for the competition and I intend to continue it for that reason. I would like to place on the record my appreciation to the local Angus & Robertson bookstore, which has assisted in making the competition possible in order to encourage young people to purchase and enjoy books.

I would just say to parents that at Christmas time this year, when you are doing your shopping, you should seriously consider the value of choosing a book to include in the presents. It is often something that the kids will not ask for. They are all very good at producing lists of things that they want and you will not often see a book listed there. But if you take the time and effort to look in the bookstores and go to the relevant sections for their age group, you will find some wonderful experiences on the shelves. I can assure parents that the children will appreciate it. The most important thing is that you are giving them a message that you value reading and that you think it is important. That in itself will be a profoundly important gift to give to your children for their futures. In the spirit of Christmas, I encourage everybody to give that a little thought when they do their Christmas shopping this year.

Riding for the Disabled Association

Mr ROBB (Goldstein) (9.13 pm)—I rise tonight to pay tribute to—to acknowledge—a
truly wonderful organisation that is active in my electorate and in many other parts of Australia. I refer to an organisation called Riding for the Disabled.

Riding for the Disabled is an organisation for people with disabilities and volunteers throughout Australia to experience enjoyment, a sense of challenge and a sense of achievement through participation in equestrian events, resulting, in many cases, in the development of life skills that all sorts of other techniques and approaches are unable to give these people—improved quality of life, for many of them a sense of achievement and attainment of important personal goals that they have set for themselves once they have had the introduction to this wonderful organisation.

This organisation began in Queensland in 1964 and classes started in Victoria, my state, in 1971. It is a not-for-profit organisation which operates across 38 centres throughout Victoria, with over 1,100 participants and 900 volunteers. There are 900 people in Victoria alone who give their time, their patience, their expertise and their goodwill to the proper running of this organisation. The organisation runs varied sessions or classes, which include games, coordination exercises and trail rides. In many cases, people are encouraged, where they have got the ability, to enter into competitions and recreational equestrian events, with some riders able to participate in national and even international teams.

I visited the Moorabbin centre of Riding for the Disabled a couple of months ago with intellectually disabled clients from Marriott House. Marriott House is part of Marriott Support Services, a group that has been in existence in my electorate since 1985. It provides both a day program and a very important employment service for around 80 adults who are intellectually disabled. Marriott House offers its services to around 70 adults ranging from 18 to 67 years of age. It is a wonderful facility, which I have already had a lot to do with in the 12 months that I have been a member of parliament. It has been a great privilege to spend time at this facility, to see the very caring and happy place that it is and the wonderful things that have been done there with these intellectually disabled people. The day centre caters for those who have severe disabilities through to those who have the potential, with some support and help, to develop the skills to transition and live comfortably in the community. The support service has a factory employing 80 disabled people in light production work, blister packing and light assembly work.

It was with two groups of intellectually disabled people from Marriott House that I visited Riding for the Disabled. It was a wonderful experience. I have had horses all my life. They are wonderful animals—strong, spirited, gallant and, most of all, responsive. You can see the effects that they have had with these intellectually disabled people. The Riding for the Disabled classes promote an ability to think ahead. Sequencing of actions can be taught. They build self-confidence, self-esteem and a sense of achievement. It is such a wonderful joy to see the experience of these people.

In conclusion, I would like to commend the commitment and the selfless contribution of so many volunteers for the work they do for these classes in preparing the horses, grooming and feeding them and even selecting them. I would like to congratulate Riding for the Disabled and all those involved with it on their outstanding contribution and wish them a well-deserved break over this festive season.

Riverwood Wetlands Project
Mr MELHAM (Banks) (9.18 pm)—Last Saturday, 3 December I was able to attend
the official opening of the Riverwood Wetlands Project on the Salt Pan Creek Reserve at Riverwood in my electorate. This Canterbury Council project has transformed an open stormwater channel into an attractive and people-friendly wetlands habitat. Instead of a stormwater channel, the community now has access to an ornamental pond, boardwalks to islands, a gazebo shelter, bird sanctuary with landscaping and tree plantings, which will make this a pleasant and available space for many. This public space lies between the Riverwood Community Centre and the Riverwood housing estate. It is the residents of the housing estate and the visitors to the community centre who will have daily access to this new public space. I would like to speak briefly about both the community centre and the estate.

In recent years, the people living in the housing estate have been encouraged to become involved in community activities and in decision making. The objective of this has been to transform the estate into a community. The local surroundings have been improved and a friendly environment has been created both on the estate and in neighbouring areas. The best example of this is the community garden developed next to the estate, where locals, especially those living in units, are able to tend gardens and benefit from the produce. The gardens have won several prestigious community garden awards for the quality of the produce and the landscaping creativity. The community garden featured on the *Gardening Australia* television program in 2003. The interviewer said that the residents on the housing estate ‘... have given life to the most powerful influence that gardening can have, an opportunity to cultivate a better society.’ Unfortunately, part of the garden was removed with the redevelopment of the Riverwood Wetlands Project. However, the garden has now been expanded and is twice the size of the old one.

Residents also work in partnership with the adjacent Riverwood Community Centre, under the management of the superb Pauline Gallagher. Pauline and the team at the community centre provide a range of community development services and activities to service the needs of the community. This includes the publishing of the resident-run newspaper *Riverwood Inside News*. The community centre was established in 1974 with federal funding. Since then it has continued to grow and thrive and contribute enormously to a diverse and complex community. Today it auspices 14 specific programs and services for people, in areas as diverse as sexual assault support, family support and out-of-school care programs, to name a few.

As the needs of the neighbourhood have changed the community centre has expanded its range of activities. For example, in addition to an Arabic support worker there are now Mandarin and Vietnamese support workers. Most importantly—and I consider that this is the reason the centre has thrived—the coordinator and the staff are dedicated to their work. Pauline and her team really care about what they do and the people they work with. Many of the people working there are volunteers and their compassion and their support underpins the success of the centre.

There have been many problems and criticisms in the past about the social problems associated with housing estates. Can I say that here is an example of how the community, when supported appropriately by the state and local government sectors, can move towards positive resolution of those concerns. The key to that is involving the residents and community as a whole in decision
making that directly affects their lifestyle and neighbourhood.

The new wetlands area will ultimately improve water quality and create a flood detention basin. It will feature a weir system to regulate water levels, a sedimentation pond with reeds and plants to capture heavy materials, a trash rack to remove debris and a partially submerged ridge of islands and marshland. It will create a valuable wildlife refuge to attract native birds and animals.

This facility has transformed an underutilised open space into a vibrant, interactive parkland for local families to enjoy. I congratulate Canterbury City Council, the state government and the Riverwood Community Centre on the various initiatives they have undertaken over the past few years. Their work with the residents and community members is creating a liveable environment from which all benefit.

Southern Metropolitan Regional Council

Regional Resource Recovery Centre

Dr JENSEN (Tangney) (9.23 pm)—I would like to speak about a situation where I think you have winners in all ways. I would like speak about something that is environmentally friendly but also very profitable. In short, I am speaking about the Southern Metropolitan Regional Council and the Regional Resource Recovery Centre, which is in Western Australia and is done on behalf of the residents of the cities of Canning, Cockburn, Fremantle, Melville and Rockingham—two of which are in my electorate—as well as the towns of East Fremantle and Kwinana.

The Southern Metropolitan Regional Council, or SMRC, has a process of treating waste in a way that reduces greenhouse gas emissions by diverting household waste from landfill and recycling it into compost and other useful products at the Regional Resource Recovery Centre. Having been through the centre I have to say it is quite amazing. You drive up to the centre and you would never think that it was a garbage dump, which is essentially what it starts off as. It is the largest waste processing and recycling facility in Australia, and it is on target to process 180,000 tonnes of domestic waste per year. In the first quarter of 2005-06 the SMRC processed over 38,000 tonnes of waste and recycling from homes in the southern Perth suburbs. Approximately 65 per cent of this material was diverted from landfill.

Before the SMRC built the Regional Resource Recovery Centre, over 85 per cent of the waste and recycling from the region was going to landfill. The SMRC has achieved this at a cost per tonne that is less than what the private sector charges at similar but smaller facilities in the eastern states. The SMRC has built a waste and recycling facility that is sustainable both environmentally and economically, achieving international best practice in waste processing. It is more than just best practice. Having been through there, I can say that it is world leading.

Adapting overseas technology for local needs, the SMRC has created one of the largest waste composting facilities in the world, where rubbish from city homes is being turned into quality compost for farms. Clearly, this is a sustainable process. In the past this household rubbish would have gone to a landfill, returning no benefit to the community. The SMRC is turning what was rubbish into a resource.

In 2005-06 the SMRC expects to process over 82,000 tonnes of municipal solid waste into compost. In a first for Australia the SMRC is currently conducting a $2 million compost marketing trial on 50 farms within a 100- to 150-kilometre radius of Perth. In fact, it is so successful that I asked whether I
could purchase compost and they said, ‘Sorry, it is all taken up for these farms.’

This trial is generating significant interest in compost produced from household rubbish. The range of crops where SMRC compost has been applied include broadacre crops of wheat, barley, oats, canola and lupins. The compost is also being applied to horticultural crops including olives, pumpkin, grapes and turf. The results indicate substantial improvement in soil and crop performance resulting from the application of SMRC compost. Isn’t this great—rubbish going into compost that actually makes farms more productive? This visionary project from the SMRC closes the loop between the city and the country in an environmentally sustainable way.

At the Regional Resource Recovery Centre the SMRC also operates a materials recovery facility where recycling from a number of Perth’s local councils is processed and diverted from landfill. Once again, we are talking about thousands of tonnes of recycled material. I commend this process to the House. (Time expired)

Transport Infrastructure

Mr RIPOLL (Oxley) (9.28 pm)—I want to put on the record the need for the government to treat the issue of infrastructure development seriously. There is no doubt that everyone understands that there is a huge gap between the needs of the community and the activity of the government in providing for that gap in infrastructure. I am specifically referring to the issue of roads, rail and public transport.

I specifically want to refer to the Ipswich Motorway in my electorate of Oxley, which for nearly 10 years has been completely ignored by this government—which has recently, at least, acknowledged its responsibilities by moving to fund part of that road, with about half of the Ipswich Motorway being covered. I want to put on the record that it is not good enough. Only a full commitment to the Ipswich Motorway is what the residents of south-east Queensland demand from this government. If this government is not prepared to do that, the Labor Party is.

When we get to office we will go the full monty: we will provide the full funding for the Ipswich Motorway and do what this government should have done years ago—that is, treat the issue of infrastructure provision seriously and make sure that people have adequate access to good roads, roads that are of a 21st century safety standard. I condemn the federal government, and I particularly condemn the Prime Minister for coming out to my electorate and having the audacity to only offer half the money for a road that so vitally needs to be fully completed.

The SPEAKER—Order! It being 9.30 pm, the debate is interrupted.

House adjourned at 9.30 pm

NOTICES

The following notices were given:

Mr Costello to present a bill for an act about the Future Fund and for related purposes. (Future Fund Bill 2005)

Mr Ruddock to present a bill for an act to amend the the Bankruptcy Act 1966, and for related purposes. (Bankruptcy Legislation Amendment (Anti-avoidance) Bill 2005)

Mr Andrews to present a bill for an act to amend the Occupational Health and Safety (Commonwealth Employment) Act 1991 and the Safety, Rehabilitation and Compensation Act 1988, and for other purposes. (OHS and SRC Legislation Amendment Bill 2005)

Mr McGauran to present a bill for an act to establish the Australian Sports Anti-Doping Authority, and for other purposes. (Australian Sports Anti-Doping Authority Bill 2005)
Mr McGauran to present a bill for an act to amend laws, and to deal with transitional matters, in connection with the Australian Sports Anti-Doping Authority Act 2005, and for other purposes. (Australian Sports Anti-Doping Authority (Consequential and Transitional Provisions) Bill 2005)

Mr Abbott to move:
That, in relation to proceedings on the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005, so much of the standing and sessional orders be suspended to enable:

(1) at the conclusion of the second reading debate or at 12 noon on Wednesday 7 December 2005, whichever is the earlier, a Minister to be called to sum up the second reading debate and thereafter the immediate question before the House to be put without delay; the bill then to be taken as a whole during consideration in detail for a period not exceeding 60 minutes (at the end of this period the Government amendment as circulated shall be treated as if it has been moved); immediately after which the question before the House to be put, then the putting without amendment or debate of any question necessary to complete the consideration of the bill; and

(2) any variation to this arrangement to be made only by a Minister moving a motion without notice.

Mr Bowen to move:
That this House:

(1) notes the report of the United Nations High Commissioner for Refugees (UNHCR) of October 2005 which outlines the persecution currently suffered by members of the Assyrian, Chaldean and Mandean communities in Iraq;

(2) notes that a large number of individuals seeking entry to Australia from Iraq under the Special Humanitarian Program claiming persecution based on religion have had their applications denied; and

(3) calls on the Australian Government to review its policy on refugee applications from members of religious minorities in Iraq in light of the UNHCR paper.
Mr Bowen asked the Minister representing the Minister for the Environment and Heritage, in writing, on 22 May 2005:

(1) Did the department or any agency under the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2004; if so, what was the (a) purpose and (b) cost of each each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

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<tr>
<th>Name of program/project</th>
<th>(1) (a) Purpose</th>
<th>(1) (b) cost</th>
<th>(2) Name and address of company</th>
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<tr>
<td>Heritage</td>
<td>To provide communications advice on heritage issues.</td>
<td>$8625</td>
<td>Haystac Public Affairs Level 16, 530 Little Collins Street, Melbourne</td>
</tr>
<tr>
<td>Natural resource management</td>
<td>To communicate the achievements of regional organisations in NRM activities and to encourage all Australians to become involved.</td>
<td>$421,819.39</td>
<td>Cox Inall Communications Level 2 44 Mountain Street Ultimo NSW 2007</td>
</tr>
<tr>
<td>Natural resource management</td>
<td>To assist with the development of a communication campaign strategy</td>
<td>$4,151.22</td>
<td>Gavin Anderson and Company 25 National Circuit Forrest ACT</td>
</tr>
<tr>
<td>Greenhouse</td>
<td>To copywrite, edit, and produce Greenhouse Challenge Newsletter (1 July 2003 to 30 June 2004)</td>
<td>$29,914</td>
<td>Professional Public Relations Pty Ltd 24-26 Kembla Street Fyshwick ACT 2609</td>
</tr>
<tr>
<td>Greenhouse</td>
<td>To copywrite, edit, and produce Greenhouse Challenge Newsletter (August 2004 and December 2004)</td>
<td>$6,072</td>
<td>Morris Walker Pty Ltd 1/285 Canberra Avenue Fyshwick ACT 2608</td>
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<tr>
<td>Greenhouse</td>
<td>To produce an event plan for the 2005 Greenhouse Challenge Plus Launch</td>
<td>$5,060</td>
<td>Morris Walker Pty Ltd 1/285 Canberra Avenue Fyshwick ACT 2608</td>
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<tr>
<td>Greenhouse</td>
<td>To develop a preliminary communications strategy for the Greenhouse Challenge Plus Programme</td>
<td>$17,204</td>
<td>Morris Walker Pty Ltd 1/285 Canberra Avenue Fyshwick ACT 2608</td>
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<tr>
<td>Greenhouse</td>
<td>To support the launch of 2005 Greenhouse Challenge Plus</td>
<td>$46,162</td>
<td>Morris Walker Pty Ltd 1/285 Canberra Avenue Fyshwick ACT 2608</td>
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<tr>
<td>Greenhouse</td>
<td>To develop and implement a communications strategy for the Greenhouse Challenge Plus Programme (began 2004 and continuing)</td>
<td>$440,000</td>
<td>Redsuit Advertising PO Box 3628 South Brisbane QLD 4101</td>
</tr>
<tr>
<td>Greenhouse</td>
<td>To develop a strategic communications and media strategy for the Local Greenhouse Action initiatives</td>
<td>$11,385</td>
<td>Redsuit Advertising PO Box 3628 South Brisbane QLD 4101</td>
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<td>Greenhouse</td>
<td>To redesign and copy write test for the Greenhouse Friendly website, and other promotional material.</td>
<td>$9,158</td>
<td>Morris Walker Pty Ltd 1/285 Canberra Avenue Fyshwick ACT 2608</td>
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</table>
Tuesday, 6 December 2005  HOUSE OF REPRESENTATIVES

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<thead>
<tr>
<th>Name of program/project</th>
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<th>(1) (b) cost</th>
<th>(2) Name and address of company</th>
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</thead>
<tbody>
<tr>
<td>Greenhouse</td>
<td>To provide a media training workshop for CCP local government participants in Adelaide</td>
<td>$1,100</td>
<td>Communications and Public Relations Pty Ltd Level 10, 40 Marcus Clarke Street, Canberra 2600</td>
</tr>
</tbody>
</table>

**Telstra Mobile Online Short Message Service**

(Question No. 1160)

Mr Martin Ferguson asked the Minister representing the Minister for Finance and Administration, in writing, on 10 May 2005:

(1) In respect of the provision of Telstra Mobile Online SMS Business Services or similar services to the Minister and the Minister’s staff, (a) does the Minister’s department provide such a service to the (a) Minister and (b) Minister’s staff; if so, when was the service first made available to the (i) Minister and (ii) Minister’s staff.

(2) What has been the cost of providing the service to the (a) Minister and (b) Minister’s staff since it was introduced.

Mr Costello—The Minister for Finance and Administration has provided the following answer to the honourable member’s question:

(1) No.

(2) Not applicable.

**Telstra Mobile Online Short Message Service**

(Question No. 1173)

Mr Martin Ferguson asked the Minister representing the Special Minister of State, in writing, on 10 May 2005:

(1) In respect of the provision of Telstra Mobile Online SMS Business Services or similar services to the Minister and the Minister’s staff, (a) does the Minister’s department provide such a service to the (a) Minister and (b) Minister’s staff; if so, when was the service first made available to the (i) Minister and (ii) Minister’s staff.

(2) What has been the cost of providing the service to the (a) Minister and (b) Minister’s staff since it was introduced.

Mr Abbott—The Special Minister of State has provided the following answer to the honourable member’s question:

(1) No.

(2) Not applicable.
Consultancy Services
(Question No. 1740)

Mr Bowen asked the Treasurer, in writing, on 22 June 2005:
(1) Has a department or any agency in the Minister’s portfolio engaged Crosby Textor Research Strategies for any purpose in the financial years (a) 2002-2003, (b) 2003-2004, and (c) 2004-2005.
(2) In respect of each occasion Crosby Textor Research Strategies was engaged, what was the value of the contract, (b) what services were provided, and (c) was a call for tenders issued.

Mr Costello—The answer to the honourable member’s question is as follows:
Australian Bureau of Statistics
(1) and (2) Not applicable
Australian Competition & Consumer Commission
(1) and (2) Not applicable
Australian Office of Financial Management
(1) and (2) Not applicable
Australian Prudential & Regulation Authority
(1) and (2) Not applicable
Australian Securities & Investments Commission
(1) and (2) Not applicable
Australian Taxation Office
(1) and (2) Not applicable
Corporations and Markets Advisory Committee
(1) and (2) Not applicable
Inspector-General of Taxation
(1) and (2) Not applicable
National Competition Council
(1) and (2) Not applicable
Productivity Commission
(1) and (2) Not applicable
Treasury
(1) and (2) Not applicable

Consultancy Services
(Question No. 1754)

Mr Bowen asked the Minister representing the Minister for the Environment and Heritage, in writing, on 22 June 2005:
(1) Has a department or any agency in the Minister’s portfolio engaged Crosby Textor Research Strategies for any purpose in the financial years (a) 2002-2003, (b) 2003-2004, and (c) 2004-2005.
(2) In respect of each occasion Crosby Textor Research Strategies was engaged, what was the value of the contract, (b) what services were provided, and (c) was a call for tenders issued.
Mr McGauran—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) (a), (b) and (c) No.
(2) (a), (b) and (c) Not applicable.

Religious Organisations: Funding
(Question No. 1906)

Dr Lawrence asked the Minister representing the Minister for the Environment and Heritage, in writing, on 9 August 2005:

(1) Is the Minister’s department providing any funds to organisations which require their employees to meet certain religious requirements (eg membership of a particular church or religious group) as a condition of their employment.

(2) Does the Minister’s department provide funds to any organisations for programs which include religious instructions, or faith-based counselling; if so, will the Minister identify the organisations.

(3) Does the Minister’s department place any requirements on church and charitable organisations which receive funds from the department that the funds not be used for religious or evangelical purposes; if so, what are the guidelines or requirements.

(4) How does the Minister’s department ensure that services and programs funded by the Government and delivered by church and charitable organisations are not used for religious or evangelical purposes.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) The Department of the Environment and Heritage provides funding to a multitude of organisations across a range of funding programmes. The Department of the Environment and Heritage does not require provision of information on conditions of employment by organisations requesting funding, and therefore is not aware that any of the organisations it provides funding to require their employees to meet certain religious requirements as a condition of their employment.

(2) No.

(3) The Department does not provide funds for religious or evangelical purposes.

(4) The Department accounts for the expenditure of its funds by requiring recipients of the funding to acquit funds against the relevant contracts or agreements. Funds are not provided for religious or evangelical purposes.

Minister for Transport and Regional Services
(Question No. 2165)

Mr Bowen asked the Minister for Transport and Regional Services, in writing, on 18 August 2005:

(1) Has the Minister received any training, coaching or assistance in public speaking or voice projection at public expense since the Minister took office; if so, what was the cost of this training.

(2) What is the name and postal address of the individual or organisation(s) which provided the training.

Mr Truss—The answer to the honourable member’s question is as follows:

(1) No.
(2) Not applicable.
Minister for Employment and Workplace Relations
(Question No. 2173)
Mr Bowen asked the Minister for Employment and Workplace Relations, in writing, on 18 August 2005:
(1) Has the Minister received any training, coaching or assistance in public speaking or voice projection at public expense since the Minister took office; if so, what was the cost of this training.
(2) What is the name and postal address of the individual or organisation(s) which provided the training.
Mr Andrews—The answer to the honourable member’s question is as follows:
(1) No.
(2) Not applicable.

Minister for Local Government, Territories and Roads
(Question No. 2186)
Mr Bowen asked the Minister for Local Government, Territories and Roads, in writing, on 18 August 2005:
(1) Has the Minister received any training, coaching or assistance in public speaking or voice projection at public expense since the Minister took office; if so, what was the cost of this training.
(2) What is the name and postal address of the individual or organisation(s) which provided the training.
Mr Lloyd—The answer to the honourable member’s question is as follows:
(1) No.
(2) Not applicable.

Minister for Workforce Participation
(Question No. 2188)
Mr Bowen asked the Minister for Workforce Participation, in writing, on 18 August 2005:
(1) Has the Minister received any training, coaching or assistance in public speaking or voice projection at public expense since the Minister took office; if so, what was the cost of this training.
(2) What is the name and postal address of the individual or organisation(s) which provided the training.
Mr Dutton—The answer to the honourable member’s question is as follows:
(1) No.
(2) Not applicable.

Commonwealth Funded Programs
(Question No. 2494)
Ms Hoare asked the Treasurer, in writing, on 13 October 2005:
(1) Does the Minister’s department administer any Commonwealth funded programs to which community organisations, businesses or individuals in the electoral division of Charlton can apply for funding; if so, what are the programs.

QUESTIONS IN WRITING
(2) Does the Minister’s department advertise these funding opportunities; if so, (a) what print or other media outlets have been used for the advertising of each of these programs, and (b) were these paid advertisements, if so, what were the costs of each advertisement.

(3) In respect of each of the Commonwealth funded programs referred to in part (1), (a) what is its purpose and (b) who is responsible for allocating funds.

(4) In respect of each of the Commonwealth funded programs referred to in part (1), how many (a) community organisations, (b) businesses, and (c) individuals in the electoral division of Charlton received funding in (i) 2003, and (ii) 2004 and what was the name and address of each recipient.

Mr Costello—The answer to the honourable member’s question is as follows:

(1) The Treasury administers one programme, the HIH Claims Support Scheme, that community organisations, businesses and individuals in the electoral division of Charlton can apply for funding from. In order to qualify for support from the scheme individuals and not-for-profit organisations must have held an HIH policy at the time of the collapse of the company and have suffered an insurable loss or have been receiving salary continuance or other payments from HIH at that time. Eligibility for assistance is also means tested for some types of claim. Small businesses in Australia may also qualify for claims assistance in some circumstances. The scheme closed to new applicants in February 2004. However late claims may be made in limited circumstances.

(2) Advertising was undertaken when the scheme first opened and prior to its closure to alert policy holders. This advertising was in metropolitan, regional and some ethnic press and on radio. The advertising was paid for as part of the cost of administering the programme.

(3) (a) The purpose of the programme was to minimise hardship for Australian HIH policy holders unable to make a claim against the company due to its collapse.

(b) Approval of a claim is made by an independent assessor against the scheme criteria and the insurance policy of the applicant.

(4) The claims made against the scheme by organisations and individuals in the electoral division of Charlton, in 2003 and 2004 cannot readily be determined.

Consultancy Services

(Question No. 2563)

Mr Bowen asked the Minister for Transport and Regional Services, in writing, on 3 November 2005:

Did his department engage SMS Consulting at a cost of $12,828; if so, what services were provided under the terms of the contract.

Mr Truss—The answer to the honourable member’s question is as follows:

My Department engaged SMS Consulting at a cost of $12,828 to assist in developing business continuity arrangements for the Department’s new Ministerial workflow system.

Environment and Heritage: Australian Chamber of Commerce and Industry

(Question No. 2592)

Mr Martin Ferguson asked the Minister representing the Minister for the Environment and Heritage, in writing, on 8 November 2005:

For each of the last nine financial years, what sum has been granted by the department and each agency in the Minister’s portfolio to the Australian Chamber of Commerce and Industry or its predecessor.
Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

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<td>$70,000*</td>
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| * Note: the amounts paid in 1999/2000 and 2000/01 were for a joint project involving ACCI and another organisation.