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**SITTING DAYS—2006**

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- **MELBOURNE** 1026 AM
- **ADELAIDE** 972 AM
- **PERTH** 585 AM
- **HOBART** 747 AM
- **NORTHERN TASMANIA** 92.5 FM
- **DARWIN** 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—FIFTH 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 Phillip Anthony Barresi, 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>Vasta, Ross Xavier</td>
<td>Bonner, QLD</td>
<td>LP</td>
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<td>Wakelin, Barry Hugh</td>
<td>Grey, SA</td>
<td>LP</td>
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<tr>
<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
<td>LP</td>
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<tr>
<td>Wilkie, Kim William</td>
<td>Swan, WA</td>
<td>ALP</td>
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<tr>
<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<tr>
<td>Wood, Jason Peter</td>
<td>La Trobe, VIC</td>
<td>LP</td>
</tr>
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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
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<td>The Hon. John Winston Howard MP</td>
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<tr>
<td>Minister for Trade and Deputy Prime Minister</td>
<td>The Hon. Mark Anthony James Vaile MP</td>
</tr>
<tr>
<td>Treasurer</td>
<td>The Hon. Peter Howard Costello MP</td>
</tr>
<tr>
<td>Minister for Transport and Regional Services</td>
<td>The Hon. Warren Errol Truss MP</td>
</tr>
<tr>
<td>Minister for Defence</td>
<td>The Hon. Dr Brendan John Nelson MP</td>
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<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon. Alexander John Gosse Downer MP</td>
</tr>
<tr>
<td>Minister for Health and Ageing and Leader of</td>
<td>The Hon. Anthony John Abbott MP</td>
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<tr>
<td>House</td>
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<tr>
<td>Attorney-General</td>
<td>The Hon. Philip Maxwell Ruddock MP</td>
</tr>
<tr>
<td>Minister for Finance and Administration,</td>
<td>Senator the Hon. Nicholas Hugh Minchin</td>
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<tr>
<td>Leader of the Government in the Senate and</td>
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<tr>
<td>Vice-President of the Executive Council</td>
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<tr>
<td>Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House</td>
<td>The Hon. Peter John McGauran MP</td>
</tr>
<tr>
<td>Minister for Immigration and Multicultural Affairs</td>
<td>Senator the Hon. Amanda Eloise Vanstone</td>
</tr>
<tr>
<td>Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues</td>
<td>The Hon. Julie Isabel Bishop MP</td>
</tr>
<tr>
<td>Minister for Family, Community Services and Indigenous Affairs</td>
<td>The Hon. Malcolm Thomas Brough MP</td>
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<tr>
<td>Minister Assisting the Prime Minister for Indigenous Affairs</td>
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<tr>
<td>Minister for Industry, Tourism and Resources</td>
<td>The Hon. Ian Elgin Macfarlane MP</td>
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<tr>
<td>Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service</td>
<td>The Hon. Kevin James Andrews MP</td>
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<tr>
<td>Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate</td>
<td>Senator the Hon. Helen Lloyd Coonan</td>
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<tr>
<td>Minister for the Environment and Heritage</td>
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<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>Minister for the Arts and Sport</td>
<td>Senator the Hon. Charles Roderick Kemp</td>
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<tr>
<td>Minister for Human Services</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
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<tr>
<td>Minister for Community Affairs</td>
<td>The Hon. John Kenneth Cobb MP</td>
</tr>
<tr>
<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Peter Craig Dutton MP</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>The Hon. Gary Roy Nairn MP</td>
</tr>
<tr>
<td>Minister for Vocational and Technical Education and Minister Assisting the Prime Minister</td>
<td>The Hon. Gary Douglas Hardgrave MP</td>
</tr>
<tr>
<td>Minister for Ageing</td>
<td>Senator the Hon. Santo Santoro</td>
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<tr>
<td>Minister for Small Business and Tourism</td>
<td>The Hon. Frances Esther Bailey MP</td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. James Eric Lloyd MP</td>
</tr>
<tr>
<td>Minister for Veterans' Affairs and Minister Assisting the Minister for Defence</td>
<td>The Hon. Bruce Frederick Billson MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Industry, Tourism and Resources</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
<td>The Hon. Robert Charles Baldwin MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon. Christopher Maurice Pyne MP</td>
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<tr>
<td>Parliamentary Secretary (Trade)</td>
<td>Senator the Hon. John Alexander Lindsay (Sandy) Macdonald</td>
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<td>Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs</td>
<td>The Hon. Andrew John Robb MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Malcolm Bligh Turnbull MP</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Christopher John Pearce MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for the Environment and Heritage</td>
<td>The Hon. Gregory Andrew Hunt MP</td>
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<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>The Hon. Sussan Penelope Ley MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
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<tr>
<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro</td>
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<tr>
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<tr>
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<td>The Hon. Kim Christian Beazley MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research</td>
<td>Jennifer Louise Macklin MP</td>
</tr>
<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>
</tr>
<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>
</tr>
<tr>
<td>Shadow Minister for Health and Manager of Opposition Business in the House</td>
<td>Julia Eileen Gillard MP</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>Wayne Maxwell Swan MP</td>
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<tr>
<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
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<tr>
<td>Shadow Minister for Industry, Infrastructure and Industrial Relations</td>
<td>Stephen Francis Smith MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security</td>
<td>Kevin Michael Rudd MP</td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td>Robert Bruce McClelland MP</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development, Shadow Minister for Primary Industries, Resources, Forestry and Tourism</td>
<td>The Hon. Simon Findlay Crean MP</td>
</tr>
<tr>
<td>Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House</td>
<td>Martin John Ferguson MP</td>
</tr>
<tr>
<td>Shadow Minister for Housing, Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories</td>
<td>Anthony Norman Albanese MP</td>
</tr>
<tr>
<td>Shadow Minister for Public Accountability and Shadow Minister for Human Services</td>
<td>Kelvin John Thomson MP</td>
</tr>
<tr>
<td>Shadow Minister for Finance</td>
<td>Lindsay James Tanner MP</td>
</tr>
<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>
</tr>
<tr>
<td>Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women</td>
<td>Tanya Joan Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility</td>
<td>Senator Penelope Ying Yen Wong</td>
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<tr>
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<th>Member</th>
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<td>Shadow Minister for Consumer Affairs and</td>
<td>Laurie Donald Thomas Ferguson MP</td>
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<tr>
<td>Shadow Minister for Population Health and Health Regulation</td>
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<tr>
<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Gavan Michael O’Connor MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition</td>
<td>Joel Andrew Fitzgibbon MP</td>
</tr>
<tr>
<td>Shadow Minister for Transport</td>
<td>Senator Kerry Williams Kelso O’Brien</td>
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<tr>
<td>Shadow Minister for Sport and Recreation</td>
<td>Senator Kate Alexandra Lundy</td>
</tr>
<tr>
<td>Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State</td>
<td>Alan Peter Griffin MP</td>
</tr>
<tr>
<td>Shadow Minister for Defence Industry, Procurement and Personnel</td>
<td>Senator Thomas Mark Bishop</td>
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<tr>
<td>Shadow Minister for Immigration</td>
<td>Anthony Stephen Burke MP</td>
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<tr>
<td>Shadow Minister for Aged Care, Disabilities and Carers</td>
<td>Senator Jan Elizabeth McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate</td>
<td>Senator Joseph William Ludwig</td>
</tr>
<tr>
<td>Shadow Minister for Overseas Aid and Pacific Island Affairs</td>
<td>Robert Charles Grant Sercombe MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Reconciliation and the Arts</td>
<td>Peter Robert Garrett MP</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>John Paul Murphy MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Defence and Veterans’ Affairs</td>
<td>The Hon. Graham John Edwards MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Kirsten Fiona Livermore MP</td>
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<td>Shadow Parliamentary Secretary for Environment and Heritage</td>
<td>Jennie George MP</td>
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<td>Shadow Parliamentary Secretary for Industry, Infrastructure and Industrial Relations</td>
<td>Bernard Fernando Ripoll MP</td>
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<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Ann Kathleen Corcoran MP</td>
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<td>Shadow Parliamentary Secretary for Treasury</td>
<td>Catherine Fiona King MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Science and Water</td>
<td>Senator Ursula Mary Stephens</td>
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<tr>
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<td>The Hon. Warren Edward Snowdon MP</td>
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Thursday, 9 February 2006

The SPEAKER (Hon. David Hawker) took the chair at 9.00 am and read prayers.

TRADE PRACTICES AMENDMENT (NATIONAL ACCESS REGIME) BILL 2005
Second Reading

Debate resumed from 8 February, on motion by Mr Pearce:

That this bill be now read a second time.

upon which Mr Fitzgibbon moved by way of amendment:

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

(1) delaying the introduction of this bill for almost 3 years since the Productivity Commission report was released;
(2) failing to amend Part IIIA of the Trade Practices Act to include the pricing principles in the bill;
(3) failing to properly indicate the relationship of this bill to the report of the infrastructure Task Force;
(4) failing to produce a single, clear and pro-competitive legislative framework for infrastructure regulation; and
(5) adding to the complexities of the regime and posing further time delays by providing for a merit-based appeal against declaration arbitration outcomes”.

Mr HAYES (Werriwa) (9.01 am)— Speaking on the Trade Practices Amendment (National Access Regime) Bill 2005 prior to the adjournment last night, I indicated that the development of a sound framework that gives certainty to all businesses—both owners and access seekers—involved in using infrastructure for the purpose of moving goods and services is essential to our economy. In most instances the negotiation of access arrangements involves significant information asymmetry, and this information gap can only be reduced through effective and well-structured oversight.

Businesses in south-west Sydney realise the importance of infrastructure that operates efficiently. That is why the Hume Highway’s on-ramps and off-ramps at Ingleburn were a critical issue in my election campaign. The ramps are needed to allow effective and efficient access to Ingleburn’s industrial park so that businesses there are able to move their products to domestic and international markets. The construction of these ramps continues to be one of the biggest concerns for local businesses—both those who are seeking to expand their markets and those who just want to make sure their business has the best opportunity it possibly can in our region. These businesses know it is essential that our road and rail transport networks are operating efficiently and effectively so that they can move their product to other parts of the country and overseas. They know how important it is to move their products through efficiently operating ports so that they can compete on a world scale—and they do.

Given that the Hume Highway is a federally funded highway and the Ingleburn on-ramps and off-ramps cost $13 million, it is regrettable that local businesses and residents were forced to raise $4.5 million to secure this essential piece of infrastructure in our region. Businesses that operate in the Ingleburn industrial estate will be levied about $2 million of that $4.5 million and residents of Campbelltown will be footing the rest of the bill for this critical piece of infrastructure.

I agree that timely, transparent and accountable decisions need to be made on important issues relating to access. Timely decision making adds to the certainty surrounding access arrangements. This bill applies ‘target’ time limits to various decisions under Part IIIA. This is an important first step but,
quite frankly, after all this time, I think the government has missed an important opportunity to produce a single, clear and pro-competitive legislative framework for infrastructure regulation. The micro-economic reform agenda that led to the development of the national competition policy, the relevant sections of the Trade Practices Act and the competition principles agreement are being left to wither on the vine.

The micro-economic reforms of the Hawke and Keating governments that led to the strong period of growth that this government has inherited are now being squandered as the government fails to introduce the legislative framework that is needed. The efficient operation of our roads, rail, ports, airports, water, electricity and gas assets is essential to lower the input costs of Australian businesses, which ultimately results in Australian businesses being more competitive in global markets and reduces the price for domestic consumers. Efficient infrastructure is a critical part of removing impediments to exports. (Time expired)

Mr Ripoll (Oxley) (9.07 am)—I rise to speak on the Trade Practices Amendment (National Access Regime) Bill 2005. This bill proposes to amend the Trade Practices Act 1974 and its contents are the result of a Productivity Commission review of the national access regime as it relates to Australia’s critical infrastructure. The Productivity Commission’s review of the access regime produced a report with 33 recommendations. This bill is the government’s response to that review and the commission’s recommendations. This bill will amend the Trade Practices Act to clarify the national access regime’s objectives and scope with respect to infrastructure, in particular as it relates to investment, regulation, transparency and accountability.

With that in mind, I would like to express Labor’s support of such an overriding objective and for the changes this bill will bring about. But at the same time I would like to state very strongly that we on this side of the House believe the government has incompetently managed many aspects of the nation’s infrastructure needs. Therefore I urge the House to adopt Labor’s amendment. It states:

“Whilst not declining to give the bill a second reading, the House condemns the Government for:

1. delaying the introduction of this bill for almost 3 years since the Productivity Commission report was released;
2. failing to amend Part IIIA of the Trade Practices Act to include the pricing principles in the bill;
3. failing to properly indicate the relationship of this bill to the report of the infrastructure Task Force;
4. failing to produce a single, clear and pro-competitive legislative framework for infrastructure regulation; and
5. adding to the complexities of the regime and posing further time delays by providing for a merit-based appeal against declaration arbitration outcomes”.

I would say that they are some of the most important issues that this national economy of our faces into the future.

The bill before the House has incorporated the majority of the commission’s recommendations, with a few other recommendations to be dealt with through industry specific legislation. The aspect of the bill which has caused so many problems is the government’s ham-fisted handling of the pricing principles. First the government accepted that the pricing principles should be in the bill, which was a key recommendation of the Productivity Commission. The government had agreed, and so had Labor, that statutory pricing principles should be established in relation to part IIIA, principally to ‘provide...
guidance for pricing decisions and to contribute to consistent and transparent regulatory outcomes over time as well as certainty for investors and access seekers’. This is an extremely important principle and part of what this bill does and how it should operate.

Then the government said that this was to be done by the minister. Instead of including these pricing principles in the bill, the government said it wanted to have these pricing principles set by the minister alone. These pricing principles were proposed to be determined by the Treasurer and specified in regulation. The Australian Competition and Consumer Commission would then be required to take into account those principles when making a final determination on an access dispute when assessing a proposed new or varied access undertaking or access code. Regulating the pricing principles to a regulation was a significant watering down of the previous position taken by the government.

According to industry sources, Treasury appears to be seeking greater flexibility on the setting of the principles. The decision to not include the pricing principles in part IIIA of the act would have had two consequences: (1) it would have greatly diminished the principle of certainty in the industry, which the industry had been seeking for both existing and future infrastructure investments, and (2) because part IIIA effectively acts as a model access regime for industry specific access regimes, removing principles from part IIIA permits greater divergence across industry specific access regimes rather than a consistent approach, which is clearly needed and wanted by the industry.

Making the pricing principles a matter for ministerial discretion is plain poor policy. We have seen many examples of what the government has done in this regard. I only have to refer to ministerial discretion over funds in AusLink. The government wants to have it both ways, in a sense. While with the Australian Wheat Board it says it has no authority, no knowledge, nothing at all and that it is all up to the bureaucrats, on other issues it says: ‘No, why should we let bureaucrats have any control? It should really all be up to ministerial discretion.’ I say to the government: if you have a principle then you cannot have it both ways. It is one or the other. I think this bill is just another example of how the government treats these types of issues.

Then the Senate Economics Committee called on the government to include the pricing principles in the bill, which it did. Now we have a situation where the government has done a backflip on a backflip. It would make Barnaby very proud. The government has completed a full circle of incompetence and mismanagement on the reform of the Trade Practices Act. The government has backflipped, it has pirouetted, it has done the hokey-pokey. But it did finally use some commonsense and follow Labor’s approach to public policy and it will now enshrine the pricing principles in the bill. While some members on the government side might find this funny and might think this is all a bit of a joke—and some parts of it are certainly funny—I would say that the government really did not know where it was heading on this. It just kept backflipping. That the government is coming full circle on this is just unbelievable. The real tragedy is that industry and the economy really do look to government for certainty that regulation does work. When a government mucks around for four years on very important infrastructure issues, there is undoubtedly an impact on the economy.

Members should be aware that it has taken four very long years for this government to respond to the Productivity Commission’s report on the national access regime through Commonwealth legislation that provides
nonowners with access to essential monop-oly infrastructure. This is simply incompetence of the highest order. This would come as no surprise to people who follow the debates in the House or people who follow the record of this government. As the Prime Minister keeps proudly saying, he will be judged by his record. On this issue, he will be judged very poorly.

The release of the Prime Minister’s export and infrastructure task force report confirmed what federal Labor has known for a very long time: Australia must have a nationally coordinated approach to the nation’s infrastructure needs. The Prime Minister’s report highlighted underlying weaknesses in Australia’s export infrastructure, which must be addressed to prevent further capacity constraints and bottlenecks developing in export industries. It recommended the need for streamlining and simplifying regulatory processes and for greater cooperation between all levels of government, both of which are federal Labor policy.

More importantly, the report highlighted the Howard government’s complacency and neglect in this critical area of public policy, as there has been no clear vision or political leadership from the Commonwealth. In fact, the Howard government is all at sea over its approach to investment in the critical economic drivers of the nation’s economy and infrastructure needs. I have been saying this for a while, but we cannot rely just on the hard work and reforms carried out in the past by Labor governments. We also need the government of today to put in place for the next generation the much needed regulatory and taxation reforms and future drivers of the economy. It seems that this government is just not up to the task.

The Prime Minister says that Australia’s creaking infrastructure is not a problem and it is not constraining our economic growth. We are told that our infrastructure problems are exaggerated. I do not think they are exaggerated at all. That is certainly not what the facts bear out. If we do not have infrastructure problems, why do we have blackouts, power surges, traffic jams, bottlenecks and water shortages? Why do our ports not deliver to the capacity at which they should be delivering? If we do not have infrastructure problems, why have our export volumes been stagnant for almost the last four years, particularly given the resources boom in this country? Australia is just not performing as it should be. It is not performing at its peak, because it is being held back by a government that refuses to act in a policy sense. If we do not have infrastructure problems, why did the Reserve Bank cite infrastructure bottlenecks as a reason for the 2005 interest rate hike?

I invite all members of this House to look at the facts concerning the state of our infrastructure. I make a couple of important points. When rating our infrastructure, independent report cards—specifically by GHD—do not give As to our assets; in fact, they give a few Bs, mostly Cs and many Ds. This is a bad outcome for Australia’s infrastructure. Under John Howard’s watch, government investment has fallen by one quarter or 25 per cent. It has fallen from 4.8 per cent to 3.6 per cent of our economy. This has caused an estimated $25 billion backlog in infrastructure investment for water, energy and transport infrastructure alone. This is a massive shortfall.

If we do not plug the gap now and do something today through public and private investment, it will cost us an estimated $6.4 billion a year in lost productivity, which year after year will compound—get worse. Australia’s place in the global economy, its ability to perform and maintain the lifestyles we enjoy today will not continue into the future unless governments make hard decisions
about regulatory changes, reform and investment in infrastructure. This is not some rant from a Labor politician; it concurs with what every other industry body and many commercial organisations in the country think about this government’s ham-fisted approach to infrastructure. Quite simply, this government has had its eye off the ball. It has been more concerned about its own political hide than the state of economic affairs or infrastructure in this country. It has been looking to the past rather than to the future in terms of where this country is heading. My concern is that, at some point in the not too distant future, we will all feel the impact of opportunities that have been lost and wasted by this government while it revels in these golden economic times.

Respected organisations and people throughout the country have recognised the need for greater attention to be paid to developing the productivity capacity of Australia’s economy with investment in its infrastructure. Here are just a few comments that condemn the Howard government for its appalling record of investment in our nation’s critical infrastructure: regional Australia’s ‘needs in relation to infrastructure are simply not being met’ and Australia needs a national infrastructure advisory group to ‘offer a coordinated approach to identifying infrastructure projects of national significance’—not of National Party significance, not of Liberal Party significance and not of significance based on the size of your electorate, as we heard yesterday from one of the Liberal ministers, but based on national priorities, on what is in the national interest—[to] ensure that relevant projects are prioritised according to their ability to provide connectivity between regions and national and global markets’. This quote is from the Howard government’s Regional Business Development Analysis Panel report July 2003. If only the government would listen to some of its own reports and advice, I think we would be in much better shape today.

The Howard government should undertake ‘better infrastructure planning, development and coordination’. This would ‘lay the foundations for sustained improvements in prosperity and opportunity for this and future generations of Australia’. Who said that? That was said not by a Labor politician but by the Australian Industry Group in a May 2005 media release. Another quote reads that Australia needs:

... an advisory and consultative institution for national infrastructure with expert investor and consumer representation to point the way for long-term planning and delivery free from political interference.

Who said that? That was said not by a Labor politician but by the Australian Council for Infrastructure Development in an April 2005 media release. Another quote states that Australia needs:

... a National Infrastructure Advisory Council that would greatly dilute the opportunity for parochial and short-term outcomes that drain resources and distract attention from the national interest.

Also:

A National Infrastructure Advisory Council could achieve positive outcomes at the national level by improving the efficiency of existing infrastructure; increasing the role of the private sector in delivering infrastructure; and fostering cooperation between the nation’s infrastructure shareholders.

Who said that? That was said not by a Labor politician but by Engineers Australia in an April 2005 media release. Why are all these organisations, which are well respected across this country, saying these things? They are being said because they are true and plain for everybody to see—but this government turns a blind eye. Another quote reads:

Capacity constraints in rail and port infrastructure have begun to hamper export growth.
Who said that? It was said not by a Labor politician but by the Reserve Bank of Australia in a February 2005 statement on monetary policy. If people look at the financial papers today, they will begin to see the impact of what can happen when markets turn, particularly with what is being called a ‘glut’ in iron and steel across the world mainly from China. Suddenly the share prices fall and then the revenues coming into this country will fall. And what do we do about our own efficiencies? We do nothing—nothing to make an actual difference. Also:

Supply constraints and transport bottlenecks seem to have held back commodity exports.

Again you only have to look at the financial pages of this week and particularly of today to see some of the evidence of this. Who made that statement? That was said by the Organisation for Economic Development, the OECD no less, in its 77th Economic Outlook dated May 2005. Here is another in the litany of quotes. The 2005 federal budget has failed to invest in ‘key areas of infrastructure which, in many cases, are accidents waiting to happen following years of neglect’. Who said that? Was it said by a Labor politician? No. It was said by former leader of the Liberal Party Dr John Hewson. He said that in May 2005. Clearly, he is just being honest about the state of this economy and the infrastructure in Australia. Another quote:

The most telling evidence that Australia has a disjointed approach to infrastructure development is the simple fact that no-one can readily refer you to a point of reference that accurately defines who is doing what, what levels of expenditure are being committed at a government level and what comprises the national infrastructure agenda.

Simply, the government has no infrastructure agenda. It has an agenda on getting itself re-elected—that is plain to see—but no infrastructure agenda. Who said that? Was it a Labor politician who said that? No, it was the Hon. Shane Stone QC, former Liberal Chief Minister of the Northern Territory, in June 2004. I will continue because I think these are important to have on the record:

Capacity constraints in terms of infrastructure must be dealt with.

Who said they must be dealt with? It was the Hon. Mark Vaile, Deputy Prime Minister and Minister for Trade, in February 2005. Another quote:

We need a comprehensive national infrastructure reform agenda, supported by processes and structures that ensure greater accountability between governments on infrastructure planning.

We clearly need a new approach. Australia as a whole has no plan, no coordinated policy, to make sure the country’s infrastructure keeps pace with the economy and meets our higher standards of living. Another quote:

The result is a system in widespread disrepair. No-one else can resolve these strategic and policy issues but government. It is government’s job to get resolution and direction without delay.

Who said that? It was no less than the Business Council of Australia in a media release in March 2005. I will continue:

The minerals sector looks forward to a good faith commitment by all levels of government to a nationally consistent and integrated approach to export infrastructure.

That was from the Minerals Council of Australia, in a media release in June 2005. I could go on. I could find hundreds of examples of organisations across this country—believe it or not, even a few Liberal ministers and members of parliament—who would put on the record the need for a nationally coordinated strategic approach, a plan for this country. But the government does not act. That is the great disappointment.

In short, Labor believes that under John Howard’s tenure as Prime Minister the nation’s infrastructure needs have reached crisis point. The Howard government has overseen a period of national government that is
characterised not only by deceit but also by neglect. In contrast to the government, Labor understands that Australia needs to develop an investment strategy to deal with the growing crisis in the nation’s critical economic infrastructure. The Howard government lacks the leadership, vision and political will to create a policy that will generate growth, efficiency and productivity in the Australian economy. Australia is at the crossroads. Unless the federal government is committed to creating a long-term nationally coordinated approach, we are heading for troubled waters.

If the Beattie government can deliver a 20-year $55 billion infrastructure plan for south-east Queensland alone, why can’t the federal government create a similar vision and plan for our nation? The short answer is that there is just no political will to do so. The Howard government is indifferent to Australia’s infrastructure needs, whereas federal Labor is ready to meet the challenge ahead. No single government authority or industry lobby group knows the true cost of building the infrastructure that would drive our economy forward and upward, either over the short or long term. This is a problem.

This would not be the case under Labor. Our Infrastructure Australia policy provides the perfect vehicle to create a coordinated vision for our nationally significant infrastructure projects. It will enable analysis of our long-term infrastructure needs, the best funding models and the measurement of the returns to the Australian economy. Infrastructure Australia will be charged with the responsibility for developing a strategic blueprint for our nation’s infrastructure needs and facilitating its implementation in partnership—and this is key—with the states, territories, local government and the private sector. It is now time for the Commonwealth government to back Labor’s Infrastructure Australia policy. This is good sensible policy. If nothing else, the amendment bill that we are debating today highlights that need. We cannot afford to wait another four years for this government to act. I do not believe the government will be here in four years time, because Labor will win in two years. We will certainly do so on infrastructure. (Time expired)

Mr MARTIN FERGUSON (Batman) (9.27 am)—I rise this morning to address changes to the Trade Practices Amendment (National Access Regime) Bill 2005, which I believe are exceptionally important. The national access regime has considerable implications for Australia’s export performance. I am dismayed, because of the importance of this bill, by the short list of government speakers. Clearly, by their failure to address this bill, they have made a clear statement about their personal views about the importance of infrastructure in Australia.

I also suggest to the House that this bill is exceptionally important to my shadow ministry portfolios given the recent events involving BHP Billiton’s Mount Newman railway line and Fortescue Metals Group. However, I will firstly address more generally the purpose and impact of this national regime, commonly referred to as part IIA of the Trade Practices Act. Obviously this is a complex, controversial and sensitive area of economic regulation. It covers infrastructure assets worth more than $50 billion and it is exceptionally important to Australia’s export performance, especially given the huge economic growth that is currently occurring in China. I would also suggest that it is exceptionally important because of the potential for huge economic growth in India, which Australia also wants to latch onto for the purposes of its own economic prosperity.
The national access regulation is still in its infancy in Australia. Access regulation attempts to address concerns about barriers to competition through essential infrastructure services with natural monopoly characteristics, and this requires government attention—that is, where it is not economically viable to duplicate the service, we have to work out a way of guaranteeing access for the purpose of maximising our export potential as a nation. Without such regulation, service providers might deny access to their services or charge monopoly prices to access them, which would be costly for the community and a disadvantage to Australia as a nation.

The introduction of an access regime arose out of an agreement by the Commonwealth and states in 1995 following the Hilmer report into national competition policy in 1993. The Productivity Commission concluded that the retention of an access regime to provide businesses with an avenue to negotiate access to such services on reasonable terms and conditions is warranted. It is in Australia’s national interest. Given the scale and importance of infrastructure investment, there are clear benefits from improving the effectiveness of this regime. The commission has described the focus of the regime as that of infrastructure services which are considered essential input to services provided in other upstream or downstream markets and which involve a natural monopoly technology. This means that it would be unlikely to be profitable or efficient for more than one firm to provide the service.

Outside the generic national access regime there are a host of industry regimes, many of which are governed by state and territory legislation. Business may access infrastructure through an undertaking by the service provider or a service can be declared by the National Competition Council. Undertakings by the service provider are registered through the Australian Competition and Consumer Commission. The NCC also assesses whether existing regimes are effective or not, and that assessment is exceptionally important. A service may be declared according to several criteria. These include: firstly, that access would promote competition in another market; secondly, that it would be uneconomic to develop a duplicate service; thirdly, the service is nationally significant; and, fourthly, the service is not already covered by an effective access regime—all very important criteria.

Under the national regime, the National Competition Council is responsible for assessing which services should be declared—that is exceptionally important. The final responsibility for the declaration of a service lies with the state premiers or the Commonwealth Treasurer. We, therefore, require cooperation between the Commonwealth, state and territory governments to make this system work in Australia’s best interests.

The Australian Competition and Consumer Commission then arbitrates on disputes over declared services. The regime—and I stress this—is not and cannot be a substitute for proper commercial negotiations in good faith. Its role is to facilitate and provide incentives for negotiation between service providers and those seeking access to the service. One of the important issues in access regulation is the potential it has to impact on private sector investment in infrastructure. It is therefore critical—and this is a challenge to the government with respect to some matters currently before the Treasurer—that such regulation does not act as a disincentive to investment. This concern is heightened at a time of national debate on deficiencies in Australia’s infrastructure. A number of members of the House have made contributions on that very issue during this debate.
I also stress that, in assessing infrastructure, the requirement of governments—be they state, territory or the Commonwealth of any political persuasion—is to make the right infrastructure decisions to determine what we need at a given point in time, rather than to willy-nilly select projects on the basis of how they might suit our own political agendas. That fault has lain with both sides of the House from time to time. We have to learn from our past mistakes, because some of our current infrastructure backlogs are related to our making political mistakes rather than our using appropriate criteria to select the right infrastructure that has to be prioritised.

That in turn takes me to the role of the Productivity Commission. I note that the Productivity Commission has come up with several proposals intended to ensure that regulation in this area does not deter private sector investment in essential services. Many of those proposals have been taken up by the government under these new amendments. These include but are not limited to: firstly, inserting an objects clause and pricing principles to guide regulators and industry—which is pretty fundamental; secondly, ensuring that access is only mandated where it promotes a substantial increase in competition—obviously, that has to be a driving force in determining these matters; and, thirdly, improving the administrative efficiency and transparency of the regulatory regime.

The opposition supports the Productivity Commission’s recommendations for the inclusion of a threshold to ensure that the regime is only applied in cases involving projects of national significance. Let us concentrate on the big issues that really have a major impact on our export performance. The commission has accordingly recommended that access declarations be granted only where the expected increase in competition in an upstream or downstream market is not trivial under criteria to promote competition.

The opposition would also support new arbitration and appeal procedures, including information disclosure requirements for both the access provider and those seeking access. Under current legislation, there is no guidance on prices for those negotiating infrastructure access with service providers. This has concerned the opposition because we have a belief that it may lead to significant uncertainty for investors. We all acknowledge the importance of certainty in attracting and facilitating private sector investment in Australia. Therefore, declaring pricing principles to regulation would have given the Treasurer the capacity to amend or withdraw them. Opening up discretion over prices in sensitive negotiations over valuable infrastructure is unlikely to foster transparency in a fraught area of economic regulation. Enshrining the principles in this bill provides the appropriate certainty for long-term investment in projects which carry significant commercial risk.

I underline the importance of this. We live in a global market and, given the importance of the resource sector at the moment, we have enough difficulties with the shortage of skilled labour in Australia being a barrier to investment to require us to go out of our way to get this system of regulation right. We have to guarantee that we have a framework in Australia that attracts investment. Once you lose investment, it is very hard to get it back over time. The resource sector is a very competitive sector, with a range of new opportunities opening up throughout the world in important areas such as iron ore.

I take the House to the Senate Economics Legislation Committee. The issues I have raised today were in evidence presented to the Senate committee of inquiry on the Trade Practices Amendment (National Access Re-
gime) Bill 2005, which the opposition called for. In response to these concerns, the government has now caved in and agreed to more amendments to its own bill so that these pricing principles will now be included in the legislation. The opposition welcomes the introduction of pricing principles because they are about giving greater certainty to companies investing in infrastructure services.

The opposition has circulated an amendment to the pricing principles, in the name of the member for Hunter, which is different from that of the government. While the government considers regulatory risk as part of the pricing principles, the opposition believes this concept is not sufficiently precise to warrant inclusion in the formal pricing principles per se. That is important, because the question of investor certainty raised by the issue of pricing goes to the heart of the dilemma posed by this type of economic regulation.

In that context there is currently a very good example in the mining industry which illustrates the complexities of this regime and our requirement to not only get the legislation right on this occasion but also start making some important decisions about increased investment export opportunities in Australia in the foreseeable future.

I turn to the Fortescue Metals Group, which has sought and finally obtained a draft declaration from the National Competition Council to access BHP Billiton’s Mount Newman railway in north-west Australia, which is a highly efficient integrated operation. Interestingly, this is only the second application of its kind. I recall a similar application which was challenged in the Federal Court. It involved a request by Robe River to gain access to Hamersley’s iron ore rail operation. The court on that occasion found in favour of Hamersley on the basis that the rail line was part of the company’s production process; therefore, third parties should not have a right of access.

History will show that Robe River filed an appeal. But the matter was settled in 2000 before the appeal commenced because of other commercial outcomes, which effectively meant that Robe River became part of a larger mining operation and the question of access and the difficulties surrounding access disappeared. So the issue of a third party getting access to a railway line, which the Federal Court has so far determined to be a production process, remains very much open to debate to this day.

Having said that, access to infrastructure is a critical part of encouraging competition. We require competition in Australia. It is a highly competitive world in the resource sector. We have to make sure that we have a variety of operators out there doing the best they can for the purposes of selling our resource at the best possible price. We also have to balance the need to ensure that both competition and private sector infrastructure are made as easy as possible because it is a very difficult question.

BHP Billiton argues that it is already facing uncertainty, given the current case involving Fortescue. I think it is stating the obvious to say that at the moment Australia is living off a major resources boom. You have only to look at the trade figures and consider the performance of, for example, Queensland and Western Australia and the size of the state coffers with respect to the impact of the resource sector at this point.

Interestingly, BHP has foreshadowed a tripling of its iron ore exports in response to the massive demand for raw materials from China. That requires significant planning, because we are about meeting a large increase in production, and the capacity required to service it must be in place. Also, as
I have indicated, it is important not just for our states and territories but for the national economy that we get this right. The extracted minerals are not the only item in demand because of this growth in export potential. What is critical to our competitive edge in this area is technology and infrastructure because it is about getting the ore to port for the purposes of shipping it overseas. The technological demands of minerals prospecting and processing are rising. One of the untold stories with respect to that is that mining services are now worth $2.3 billion a year in exports to Australia. It is not just about exporting raw products and in some instances downstream processing with respect to the aluminium industry. We as a nation are actually improving our performance, and appropriately so, on the export of mining services, and I encourage the industry to do more on this front.

We also have high hopes for streamlining mining processes and cutting costs, as evidenced, for example, by Rio Tinto’s HIsmel t technology—an example of where Australia’s future competitive strengths lie and on which we as a nation depend. Therefore, technologically efficient processes are vital to our export success. Currently, we have highly efficient export activities benefiting the private sector, investors, government and the general community. Access to infrastructure therefore must be available, but it is a question of how you handle that access. More than $2 billion was spent by BHP Billiton on its Mount Newman railway. About $100 million is spent annually maintaining what is the most advanced heavy haulage railway in the world. It is a state-of-the-art system, with sensors detecting the track’s integrity and monitoring the heat of ball bearings and the general efficiency of its operation. There is a careful sequencing of the automatic carriages so that they arrive in time for processing ahead of their loading onto the ship. If it goes wrong, it is expensive. Every breakdown costs $2 million. A derailment lasting 48 hours costs $50 million. We are not talking about small bickies.

Currently, 110 million tonnes a year of iron ore are being hauled. This will be expanded to 129 million tonnes during 2007. Given the technological investment and maintenance costs, BHP do not want third party trains being operated on their railway. But they are appropriately open to negotiating the carriage of Fortescue’s iron ore in BHP carriages—for example, an agreement on haulage that protects their seamless operations. BHP also argue that the relevant part of the Trade Practices Act, under which third parties gain access—part IIIA—was designed to promote the domestic market, not exports. This is apparently underlined by the Prime Minister’s infrastructure task force.

I am not in favour of the National Competition Council’s ruling. I think it endangers a massive investment by BHP. Having said that, I believe it is in BHP’s commercial interest to resolve this matter. Therefore, I have called for an arbitration mechanism outside the ACCC to get the parties to the table.

Haulage should be determined at an appropriate commercial price. This means it is the responsibility of the Treasurer to get it right and work out how he puts in place a process requiring BHP to negotiate in good faith to guarantee Fortescue haulage opportunities. If those negotiations fail, there have to be opportunities under part IIIA of the Trade Practices Act to try and work out how it is resolved with a third party. Alternatively, there may be an option under the state regime. But firstly the Treasurer should be saying in very blunt terms, ‘We recognise and respect your right, Fortescue, to seek haulage access.’ Then there should be a requirement for commercial negotiations between BHP
Billiton and interested parties. If those do not succeed, we put in place arbitration proceedings with defined time lines.

This is not dissimilar to what has occurred on other rail tracks in Australia, such as with the Australian Rail Track Corporation. In this case, the government still owns the track, but everything above the track is up for negotiation in terms of access. It is a process to determine haulage rates based on competition and fair commercial outcomes. It is also important to keep in mind that resource developments often involve a large gap between a stated proposal to mine and eventual exports. Certainty is required. Sometimes we have seen so-called potential miners play a game for the purpose of putting pressure on a competitor to buy them out at an inflated price. The opposition does not support those games.

Fortescue has clearly said publicly that it is committed to export. It is therefore entitled to haulage access. It is therefore entitled to haulage access. Ultimately, there is a requirement for Fortescue and BHP Billiton to negotiate expeditiously and in good faith a commercial outcome. This means there has to be a commitment to bring the mine on sooner rather than later. Pressure needs to be applied to all parties to resolve this issue in Australia’s best interests. But however this matter is resolved—because it must be resolved—it is critical that highly efficient export operations are not jeopardised. The bottom line is that Australia must emerge from this resource boom with a proper process of competition in terms of the infrastructure in place. We cannot make the mistakes of the 1970s yet again, when we last came out of a resource boom. Therefore, the last thing we should be doing is endangering world renowned, seamless export operations. I raise these issues and commend the bill to the House. (Time expired)
The bill before the House this morning deals with the Commonwealth government’s commitment to participate in honouring the recommendations of the Hilmer report. In particular, the reforms deal, culminating in the competition principles agreement, and the CPA in turn prescribe the principles of the national access regime. It is an open question as to what industries operate as a ‘natural monopoly’. Examples that readily spring to mind and that are cited in the Bills Digest No. 186 include essential facilities such as:
electricity transmission grids, telecommunication networks, rail tracks, major pipelines, ports and airports ...

I note in passing the sale of telecommunications and other airport facilities and the disastrous manner in which the Howard government has administered these sales to the eternal detriment of the Australian consumer, the taxpayer, and, more importantly, the people I represent in my electorate of Lowe.

Highly profitable cash flow entities such as Telstra and the designated international airports of Australia have been flogged, with no attempt to solve the environmental and/or service problems, such as regional telephony services in the case of Telstra or, dare I mention it, aircraft noise, expansion and environmental problems in the case of Sydney airport. You have heard me speak on this issue ad nauseam since I was elected to this House more than seven years ago. It is scandalous that, at this very moment, Sydney airport is being developed as a great shopping centre and a car park. I do not know how often I have said it but, as an airport, it operates very well as a shopping centre and a car park. It is outrageous that this comes at the expense of the people that I represent in that every day they are bombarded with aircraft noise and that the government has not honoured its commitments in relation to the long-term operating plan to get fair noise distribution over the inner west of Sydney and to do something to make sure that the second airport for Sydney is built in the foreseeable future to take the pressure off Kingsford Smith airport.

Sydney airport, Sydney’s M1 motorway, M4 motorway, M5 motorway and a host of other infrastructure entities are all owned either directly by Macquarie Bank or by one of its subsidiaries or consortium partners. I question how a national access regime may operate at all in such a profit only and dividend driven psychosis that pervades every decision of the big end of town, which Macquarie Bank represents. I question how the Australian Competition and Consumer Commission may ever administer the national access regime where the god of profit dictates with an iron fist against each and every other responsibility—duty to environmental protection, duty to provide equitable services for all Australians, metropolitan or country, the hearing impaired or people with financial or distance limited access issues. These are the forgotten and marginalised people in the tyranny of utilitarianism.

The issue of marginalisation brings me to the connection I referred to at the beginning of this speech between this national access bill and the Trade Practices Legislation Amendment Bill (No. 1) 2005. The connection is most readily seen in an industry which gets no mention in the context of the national access regime, nor any mention at all. The real politic of this silence is due not to its irrelevance but to the fear that is struck into the hearts of others in this House who dare to mention this forbidden topic. What is the forbidden topic that I refer to? I have mentioned it on more than one occasion, and I notice the Chief Opposition Whip, the member for Chifley, is here to hear this contribution and he has heard me on this topic before. It is the industry domination of two media companies who have a stranglehold
on commercial media ownership in Australia. I am obviously referring to PBL and News Ltd. I have spoken many times about this and my concerns in relation to the government’s agenda to concentrate media ownership in Australia.

Let me be under no illusion. Media ownership in Australia is already heavily concentrated. The influence of Australia’s two biggest media companies is such that no government or opposition would win an election with both companies campaigning against it. That is a fact. Some might ask what this has to do with the bill before the House today. I will tell you: the answer is everything. The national access regime is designed to supplement commercial negotiation where an individual or body corporate is effectively denied access to a declared service. What happens when the media is so monopolised by one or two companies that competition is for all intents and purposes effectively denied?

Much has been written in recent times about the increased influence of the internet as the sole or primary source of news and information available to the Australian public. Last year I read comments which were published in the Australian Financial Review attributed to the ACCC Chairman, Mr Graeme Samuel. I will read you inter alia what Mr Samuel said in a speech:

"... increasing competition in news outlets—including web log sites—could allay fears that diversity of news and information could be harmed in media deregulation." He cited Rupert Murdoch’s comment that "young Americans now looked first to the Internet for news, second to cable TV, third to free-to-air television, and only fourth to newspapers."

"As this occurs and you have a multiplicity of news and information, the prospect of domination by a duopoly in Australia may diminish".

Mr Deputy Speaker, you know that is rubbish. I would like to restate the words of a letter that I wrote—one of a number of letters—to the Australian Financial Review. This one is dated 4 October, and I said:

Isn’t Mr Samuel aware that Internet penetration in Australia is low and that most Australians, overwhelmingly, still get their news and information from traditional media, that is, newspapers, television and radio stations?

I asked a further question in that letter:

Isn’t Mr Samuel aware that Mr Murdoch has a very great interest in any changes to Australia’s cross-media ownership laws?

Unlike other natural monopolies, regulating and protecting the public interest in the media duopoly is not simply governed by one law, nor even by one government agency. I fear that that split is deliberate. Media ownership laws that protect public interest items are prescribed in sections 38A, 51 and 53 to 56 of the Broadcasting Services Act 1992. These functions are performed not by the ACCC but by the newly formed Australian Communications and Media Authority, or ACMA, as I will refer to them. Foreign ownership regulations are prescribed in sections 60, 61 and 109. However, the ACCC does have a role in the regulation of the media industry in the field of merger provisions under section 50(1) of the TPA. Section 50 deals with the effect of a merger of any corporation, including media interests, which would have the effect of substantially lessening competition in a market. A non-exclusive list of factors for consideration in what may result in lessening competition is prescribed in section 50(3).

What is in issue here is the duopoly of commercial media ownership that exists in Australia. Current high-profile and very expensive litigation between Kerry Stokes’s Channel 7 and Telstra, News Ltd and PBL highlight at the moment what lengths of collusion and corporate warfare that duopoly is prepared to go through in order to control media in Australia. We saw this played out in
public in the late 1990s, when News almost destroyed elite rugby league in Australia in its pursuit of owning a majority stake in the game in order to sell pay television subscriptions. To destroy Kerry Stokes and C7 you had to make sure the channel would not broadcast rugby league or AFL.

All this leads to the conclusion that there are at least two government agencies who have statutory responsibilities over the media duopoly that effectively operates within a monopolistic regime. Both the ACMA and the ACCC collectively have different but closely related responsibilities to ensure that any merger or other conduct by an Australian or foreign corporation will not lessen or substantially lessen competition and choice in media in Australia. That is the legislators intent with the original 1974 legislation, the Trade Practices Act—an act I am happy to say is one of the lasting legacies of the Whitlam Labor government. The wisdom of that legislation is only made more profound by the deliberate tampering we see here today by the government seeking to reduce the efficacy of this legislation.

It is disturbing to me, and I am sure to many Australians, to hear the words of the ACCC Chairman, Mr Samuel, who now acts in his new found role of salesperson for the big media moguls. Does the chairman think the public is stupid when he seriously suggests that internet media in Australia is more influential as a preferred choice of media than newspapers, radio and television? If that is the case, then I invite Mr James Packer and Mr Murdoch to sell some of their interests in traditional media—namely, newspapers, magazines and both free-to-air and monopoly pay television. What sophistry to purport that the game is up for these ‘old-iron’ media formats as the internet is sweeping us all away? That is nonsense.

I believe the ACCC needs to do its homework. It should be clear to the ACCC that, in Australia, PBL and News Ltd have a stranglehold on ownership and control of newspapers, magazines and free-to-air and pay television and will have for many decades to come. Indeed, independent media players providing news services on the internet will never match the mainstream influence of newspapers, radio and television. It is a fact that every day most Australians turn on a radio station, open a newspaper and watch a free-to-air television broadcast. That gives them the news and information that they need every day and, ultimately, will affect and influence the way they vote.

Whether old or new media prevails, media diversity relies on diversity of ownership. He who pays the piper calls the tune. So why is the government so hell-bent on concentrating media ownership in Australia as it proposes? The iron-fisted control over print and television exercised by our two biggest media companies is apparently still not enough. The companies will obviously try to extend their influence to dominate the new media sources such as news sites on the internet. I refer to a news article published in one of News Ltd’s newspapers, the Daily Telegraph, as late as 6 October 2005, entitled ‘News spreads its net wide’:

Rupert Murdoch’s global media giant News Corp has gathered up a group of websites attractive to young men worldwide as it pursues its goal to become a major force in cyberspace. Mr Murdoch, News Corps Chairman and Chief Executive Officer, is steaming ahead with plans to dominate the internet, with his full strategy for conquering cyberspace expected to be announced soon.

I say to Mr Samuel, the guardian of anticompetitive practices in Australia, that not even the internet will be spared total domination by our two biggest media companies. Mr Samuel, Australians will not go rushing to the internet to find an alternative view that
has a real capacity to provide real competition to our two biggest media companies.

Outside the two biggest media companies, where do you turn for alternative views in our society? Thankfully, we have the public broadcaster, the ABC, but they continually get flogged by the government for allegedly being biased and are being starved of additional funds. It will be very interesting to see how the outgoing managing director of our public broadcaster, Mr Balding, goes in his latest triennial funding submission to the government. He will attempt to secure something like another $38 million for the ABC’s budget over the next three years—I would hate to be hanging by the eyebrows for that amount of money.

What confidence can we have in the watchdog of the public interest, the ACCC, that we will not have mergers or other corporate conduct that results in Australia’s media simply being further and further dominated by only two owners? Politically, this government is hell-bent on surrendering to the two biggest players. Worryingly, the ACCC would have us believe that the internet will save the day in terms of offering people real choice and real competition to those media giants. Real competition within Australia’s media industry is already nonexistent, as Mr Kerry Stokes of Channel 7 is discovering in the Federal Court at the moment.

If the government is serious about honouring the laws which exist only on paper regarding merger acquisition laws and the preservation of competition in all industries including media, then it will amend the Trade Practices Act and the Broadcasting Services Act to ensure that these laws do not become purpose-built for two media magnates who so dominate our democracy.

I urge the House to put an end to this worship once and for all. I exhort the government to do the honourable thing, fulfil its duty as trustee of Australia’s democracy and put the interests of Australia first. I await with great interest the media reform paper which the Minister for Communications, Information Technology and the Arts, Senator Helen Coonan, is expected to release in the near future to find out the real intentions of the government in relation to the media landscape that will exist when the government amends the Broadcasting Services Amendment (Media Ownership) Act.

People are very concerned about this because the negotiations have been and are being conducted by stealth. All the reports that one gets outside the two biggest media companies that have some objectivity of what is really happening are that the government—in particular, the Prime Minister and the minister for communications—seem to think that the two biggest media companies have to sort out their differences and ultimately report back to the government, who will provide them with a bill that will achieve what they want. That is a very serious threat to the public interest. That is a very serious threat to the future of our democracy and I want to see something happen with this new bill to make sure that we get new players, whether they are from overseas or Australia. For example, I have spoken before about how John Singleton wanted to have a free-to-air, 100 per cent Australian content television licence—he is denied that. The government are not even going to allow a fourth free-to-air television licence. They are not doing anything about multichanneling; they are not promoting datacasting. Why? Because it is a threat to the two biggest media companies, and that has to stop.

Ms OWENS (Parramatta) (10.07 am)—The Trade Practices Amendment (National Access Regime) Bill 2005 finally follows on from the findings of the Productivity Commission Review of the national access regime. Its purpose is quite simple. It is to im-
prove conditions that underpin investment in significant national infrastructure—that is, rail lines, gas pipelines, electricity, water infrastructure, ports and airports. It is about making sure that companies, organisations and owners of national infrastructure that have natural monopoly positions are not able to use those monopoly characteristics to deny access to others but also to ensure that they operate in a regulatory environment that is sufficiently known in advance and understood to make realistic investment decisions for the future.

Today is a good day to talk about infrastructure. In fact, so overdue is this debate that any day would be a good day to talk about it. Out there in the world, where people in business and families deal daily with the consequences of inaction in this place, there have been daily calls for the government to address our crumbling infrastructure. In the streets and lounge rooms of my electorate in Parramatta, people know that we have a problem in this country, that we as a nation are failing to invest in the foundations that underpin our growth in business and in our families. For most of them, they are not talking about gas pipelines or ports in the first instance, but the principles are the same. It is astonishing how accurately the general population reads the problem—that this country is failing to invest in the fundamentals that underpin good lives and good business. It is not only failing to repair and renew but also failing to respond to new opportunities and needs as they arise.

People tend to talk about the infrastructure problem in terms of their own lives, principally in terms of our ailing education infrastructure and our health infrastructure. They talk about water, roads and public transport. They talk about soft infrastructure, community networks, child care and aged care infrastructure and skills, and they talk about the processes—for example, the industrial relations infrastructure that delivers certainty and security. They certainly know about the word ‘infrastructure’ and there is very real concern out there at all levels of our community that we are failing to invest appropriately. There is a clear, undeniable need for this country to invest in the foundations on which businesses, individuals and families build their lives.

In this bill today we are talking about one type of infrastructure, and a subset of that. We are talking about the large national physical infrastructure—rail lines, gas pipelines, electricity et cetera. But it is interesting to me that, even when we talk about that kind of infrastructure at the moment, the word ‘crumbling’ quite often comes to mind and comes out of the mouths of people talking about it. It seems that in Australia at the moment the words ‘crumbling’ and ‘infrastructure’ go together. This morning, just to test my theory, I ‘Googled’ the words ‘crumbling infrastructure’ and found 11,700 Australian references. I even found a website where a competition was being run for the best slogan for a bumper sticker that spread the message that our decaying and crumbling infrastructure is in desperate need of investment, otherwise future generations will inherit infrastructure far worse than we had—

**Dr Emerson**—That’s a very long slogan.

**Ms OWENS**—No, that was the point that had to be made in the slogan. The best slogan—my personal favourite—was ‘Infrastructure—big word, big issue’.

**Dr Emerson**—Not bad.

**Ms OWENS**—Not bad. ‘Australian infrastructure—invest to inherit or delay to decay’. These are very wise words, but I think it is a problem in this parliament when we have people calling for suggestions for bumper stickers well ahead of the government acting on what is a very well known problem in this nation.
While the large scale infrastructure such as gas pipelines is not generally discussed in detail in lounge rooms, it certainly has been discussed at great length in the board room and among industry advocates in this country. On 11 separate occasions in the last four years we have seen the Reserve Bank refer to infrastructure capacity constraints as having a serious negative impact on our national economy. In the last 12 months we have seen the Reserve Bank, the Australian Competition and Consumer Commission, the OECD and the CEDA all voice their dissatisfaction on the state of our infrastructure and on the government’s inaction.

Recent analysis by the Business Council of Australia shows that there is a $90 billion shortfall in Australia’s infrastructure, which needs to be addressed immediately to prevent further capacity constraints and bottlenecks such as those we have been experiencing in critical industries. Our national freight industry, which moves around $2.2 billion tonnes of freight around the country every year by road, rail and sea, has been bottlenecked for years due to prolonged periods of underinvestment.

The national access regime bill is part of ensuring conditions that are conducive to investment in this crumbling infrastructure. All the screaming for the last four of five years has only been going on because this government has failed to act. The government’s job in the long run is to make sure these problems do not appear in the first place. It is evident in a country the size of Australia that infrastructure will always be a major issue, particularly the large physical infrastructure, and it is the government’s job to look ahead and ease the country along, not follow along after five years of constant arguing by our business community.

The national access regime was introduced back in 1995 as part of the national competition policy. The regime addressed natural monopolies in our national infrastructure, where the owner of nationally significant infrastructure had a natural monopoly. It covered access to national infrastructure by a third party where it is not really feasible to duplicate that large infrastructure. It was all about ensuring that owners of infrastructure where a natural monopoly exists could not put up barriers for third parties. For most of us, telecommunications is the most obvious example, although it is not covered by this bill. Again, people in the lounge rooms around Australia are familiar with the effects on both price and service where large-scale infrastructure is not openly available to competitors. The issue equally applies to the rail lines, gas pipelines, electricity and water infrastructure covered in this bill.

There are two parts to the national access regime. The first, agreed between state and federal levels of government, sets out principles underpinning access by third parties to nationally significant infrastructure. The second is in part IIIA of the Trade Practices Act 1974 and the reforms of relevance today are concerned with it.

Back in 1995, part IIIA put in place a legal regime to facilitate user access to services provided by essential facilities that operate as natural monopolies. It sought to ensure that, where infrastructure had a natural monopoly, it could not become a barrier to competition. Part IIIA of the act sets out three paths to gaining access to an eligible infrastructure service: (1) having a service ‘declared’ by the National Competition Council where an individual or business has been denied access to a facility, (2) using an existing state or territory access regime which has been certified as effective, and (3) seeking access under the terms and conditions specified in an undertaking given by the service provider and accepted by the ACCC.
The government commissioned a review of the national access regime in October 2000, some five years later. It was undertaken by the Productivity Commission and delivered in September 2001 but not released until a year later, in September 2002. That was in spite of its importance. The government then sat on the review for another 2½ years, until February 2004. It was finally put on the Notice Paper in the middle of last year, where it languished for months. Again it was a delay of nearly five years, in spite of constant calls by some of the most respected organisations in Australia for urgent action on our crumbling infrastructure.

All too often with this government we see a complete failure to act until the problem has manifested sufficiently for there to be loud calls for action. This government does not lead from the front—far from it. I am undecided whether it is incompetence or politics. If you solve the problem before anyone notices it, you do not get many votes for doing it. I have come to suspect that this government is very much about waiting for the problem to be noticeable so that it can get the biggest brownie points for acting. Unfortunately, every year delayed is a year in which we do not invest in our national infrastructure, and Australians and the country as a whole suffer because of government inaction. So today is a good day for us in this parliament to talk about national infrastructure, because a bill for which we have waited five years is finally in front of us. It is not as good a day as yesterday or if it had been last year, the year before that, the year before that or the one before that—all the way back to September 2002—but it is a good day nevertheless.

This bill is a step in the right direction. From the perspective of this side of the House it falls far short of the mark and, in spite of infrastructure being important, comes several years late. These are long-awaited amendments, particularly on our side of the House, which has such a strong track record in competition policy and support for the development of infrastructure. But it does move us closer towards achieving investment in national monopoly infrastructure and promoting competition for the nation’s future prosperity.

The bill comprises a piece of critical and long overdue legislation to amend part IIIA of the Trade Practices Act to implement many of the recommendations made by the Productivity Commission in its 2001 Review of the national access regime. These amendments will finetune the regime to allow third parties improved access to infrastructure of national significance. Labor welcomes the new section 44A, which inserts an objects clause: ‘to promote the economically efficient operation of, use of and investment in the infrastructure by which services are provided, thereby promoting effective competition in upstream and downstream markets, and provide a framework and guiding principles to encourage a consistent approach to access regulation in each industry’.

The new objects clause must be taken into account by the NCC, the minister and the tribunal with regard to declaring a service, certifying that a regime is effective, approving access undertakings and accepting access codes. The Labor Party supports this clause, although it could hardly be described as bringing a hard edge to the legislation. We would have preferred that it include much stronger pro-competitive language or a mention of restraint on monopoly behaviour. Nevertheless, Labor supports the improvement in regulatory certainty that the objectives provide in determining disputes and declarations.

Labor remains committed to going further to prevent the owners of crucial bottleneck infrastructure facilities from setting high
prices or creating other impediments to accessing the monopoly infrastructure. One of the big differences between the beliefs of Labor and those of the government with regard to the national access regime is around the need to enshrine pricing principles in the legislation. It was the original preference of the Liberals to leave it to the minister, and it is Labor’s belief that they need to be enshrined.

The pricing principles are the prices that the ACCC will be required to arbitrate on, which access seekers must pay for access to a service, and set out in an access undertaking. Currently the legislation contains only very broad principles that the ACCC must consider when determining conditions of access, and they do not relate specifically to the issues of price. Again we see that the Howard government has been incredibly slow off the mark, and it only just made it to achieving the requirements set out in the 2001 Productivity Commission report.

After agreeing to establish statutory pricing principles in part IIIA, the government then wavered on enshrining these principles in legislation, proposing that they be determined by the Treasurer and specified in regulation. This marked a significant watering down of its initial preference in favour of the position of the ACCC over the position of the Productivity Commission. The pricing principles were recommended by the Productivity Commission to provide guidance for pricing decisions and to contribute to consistent and transparent regulatory outcomes over time, as well as providing certainty for investors and access seekers. But after four years of dithering and delays the government itself still could not provide any guidance or leadership about pricing principles. It is incredible that this government again almost missed the point completely when for years pricing principles have been at the core of the raging debate about infrastructure.

I note here the comments made on 15 August 2005 in the *Australian Financial Review*. In an article appropriately entitled ‘Plea for certainty’, in which AGL stated that it was ‘puzzled and concerned’ that the pricing principles were not in the bill and warned that this would create uncertainty among investors about the government’s plans for infrastructure regulation. However, following substantial pressure from Labor and significant media coverage on this issue, the government has finally decided to do something to unlock new investment in our country’s starving infrastructure, worth tens of billions of dollars.

Labor has regarded the pricing provisions of the bill, from its onset, as improvements which go some way towards promoting consistency and certainty for both users and providers of national infrastructure. Labor also believes that the provisions move towards providing some guidance to decision makers in their approaches to enhance regulatory accountability. Labor supports the increased certainty created by the pricing provisions of this bill. At the same time Labor also recognises the need to safeguard the regime against the owners of crucial bottleneck facilities setting high prices for commercial access which limit competition.

Following on from my earlier point of this government being slow off the mark, it is noteworthy that this bill also imposes new time frames when making access decisions, which Labor welcomes, particularly considering the *Export infrastructure* report’s criticism of the lack of timeliness in access decision making. There is some irony here, given the government’s delay in bringing about at all these important and pressing amendments. Labor believes that imposing time limits on certain decisions can curtail opportunities for delaying access through regulatory game planning—for example, stalling techniques. This in turn increases confidence
and consistency in regulatory processes with a flow-on effect for service seekers and consumers.

Labor has a proud tradition of supporting and promoting competition and of building our national infrastructure. Former Prime Minister Paul Keating stated in 1992 that ‘the engine which drives efficiency is free and open competition’. Labor was the architect of competition policy reform in Australia, introducing the Trade Practices Act in 1974. Labor commenced a landmark period of reform during the eighties that included decisions such as floating the currency, deregulating the financial markets and reducing trade barriers. It was Labor that launched the national competition policy, which, amongst other things, reformed a range of legislation restricting competition and holding back key infrastructure. Labor oversaw the Hilmer review, which provided a road map for competition reform, including in the area of access to nationally significant infrastructure facilities. Through overseeing the Hilmer review and launching the national competition policy, Labor created a regulatory framework which promoted competition and access and balanced the wider needs of the public in accessing key infrastructure. All these reforms have contributed greatly to our recent economic success. It is with some sadness that we on this side have watched the delay over the last five years significantly slow down and even halt the reform which we carried out over many years. As Kim Beazley stated in his address to the AusRAIL conference on 24 November:

Labor is committed to steadily and responsibly rebuilding the crumbling infrastructure of Australia, to locking in Australia’s future prosperity and to creating a much stronger economy and nation. We know that this needed to be done a few years ago, and it is certainly of great urgency now. That is why Labor has recently delivered its blueprint for infrastructure, which includes:

... the creation of Infrastructure Australia (a Commonwealth statutory authority reporting directly to COAG and through COAG to state and Commonwealth infrastructure ministers) ... which will function to analyse, monitor and report upon the delivery and operation of major infrastructure projects ...

Labor:

... Will conduct a national infrastructure audit which will see the development of a national infrastructure priority list.

... Will develop a co-ordinated approach in working with the states to give priority to the long range strategic planning of the nation’s infrastructure needs ...

... Will establish the Building Australia Fund ... to aid infrastructure financing ...

The provision and maintenance of our national infrastructure is an investment in our nation’s future, not something to be viewed only as an expense or a budgetary item. In short, good infrastructure is a national asset, not a national cost. However, after nearly 10 years in government the Howard government has done virtually nothing. It has taken five years to put these current amendments in place, and even then the Howard government almost missed the mark. Still there is much more that needs to be done to ensure that Australia gets back on the right track to strengthen and rebuild our nation’s infrastructure for the benefit of all Australians. This bill goes part of the way.

Dr EMERSON (Rankin) (10.27 am)—I wonder if I might put an entry into the bumper sticker competition that the member
for Parramatta has mentioned. I think it was Bill Clinton who picked up on the phrase: ‘It’s the economy, stupid!’ Perhaps we could put on bumpers: ‘It’s the infrastructure, idiot!’ That is just a thought. It certainly would fit. The Trade Practices Amendment (National Access Regime) Bill 2005, I am afraid to say, is a disappointing piece of legislation. Australia has been waiting for this legislation for more than three years, and it is pretty much a damp squib. I say that by referring, for example, to the objects of the bill:

(a) promote the economically efficient operation of, use of and investment in the infrastructure by which services are provided, thereby promoting effective competition in upstream and downstream markets; and

(b) provide a framework and guiding principles to encourage a consistent approach to access regulation in each industry.

You could hardly describe those objects as bringing a tough edge to this legislation—very general and not providing much guidance at all. But more importantly, although the legislation does pick up a set of pricing principles and they include a return on investment commensurate with the regulatory and commercial risks involved, the bill does not enshrine those principles. Instead, the principles are to be determined by the Treasurer and specified in regulations. Time and time again this government parades itself as a deregulatory government, as a free enterprise government, yet it cannot seem to let go. Here is an important set of pricing principles that should be enshrined in legislation but the Treasurer just cannot let go. If you look at this government’s behaviour, whether it is in the area of university education, the area of aged care or the area of health care, it feels that it has to control everything from Canberra as if it is some sort of central planning agency. Eminent economist Max Corden has described it as ‘Moscow on the Molonglo’. You would think we would be talking about a socialist government, and in many respects this government does display those features.

It should be a government that lets go where it can and allows market forces to prevail. Indeed, that was the whole ethic behind national competition policy—a major reform initiated not by the Fraser government but by the Keating government. National competition policy was another great instalment of the economic reform program of the Hawke and Keating governments. That program has delivered unprecedented economic growth on the back of very strong productivity growth. That is what it was expected to do and that is what it has delivered. When the government talks about what jolly good fellows they are that household incomes have increased by 15 per cent in real terms, there is one valid explanation for that. That explanation is the economic reform program initiated by the Hawke and Keating governments, including national competition policy. Yet, after years of delay, we get this damp squib legislation, which is a grave disappointment in my view.

The economic reform program to which I referred has led to the OECD ranking Australia as having one of the least regulated product markets in the world for goods and services. That itself has helped build the productivity growth which has created so much prosperity in the last few years. The financial markets were deregulated early on with the floating of the dollar, then there was the entry of foreign banks and further deregulation of financial markets, product markets began to be deregulated and, a little further on, the Keating government introduced national competition policy. There has been a lot of criticism of that policy, including at times from our side of politics. No-one would argue that everything that has been done in the name of national competition policy had clear net national benefits, but overall it has
been very successful in lifting productivity growth.

Here we are debating some amendments to the national access regime, and I think it is really important to make the point that, in setting access terms for infrastructure that possesses characteristics of national monopoly, it is very easy for regulators to insist that that access be at a very cheap price in the name of competition. But we must always remember that the owners of such assets need an incentive to invest or reinvest in those assets, to enhance the assets or to replace the assets with better assets. If the return that they get on that investment is insufficient to warrant that extra investment or reinvestment, then of course it will not happen.

There have been cases in Australia in the recent past where that situation has applied. Dalrymple Bay, which is subject to the Queensland Competition Authority, is a classic example. We have been confronted with a situation whereby very valuable and very high quality coal exports have been held up at a port because it did not have the capacity to handle them. A fundamental reason for that was that the regulator was considering a rate of return on investment in that port which was insufficient to warrant any further investment in it. Fortunately, that matter now appears to have been resolved, but it is a really good case study of how easy it is for regulators to argue that the access terms should be very favourable to the company that is seeking access and unfavourable to the company that owns the asset—all in the name of competition.

Competition can only truly apply and prevail if we have assets in which investment is taking place. That is why it is important—and I do support in particular this part of the pricing principles—that they should include a return on investment commensurate with the regulatory and commercial risk involved. That is a wise aspect of this legislation. It is just such a pity that the Treasurer cannot let go and enshrine that particular principle, and the other principles, in legislation.

Australia is confronted by very serious problems in respect of infrastructure. There is no national infrastructure plan. We now desperately need in this country a new wave of economic reform. It is very hard to identify any cohesive comprehensive reform program of the Howard government, which very soon will have been in power for 10 long years. You would think that within 10 years a government could develop a national reform program, a key component of which is a national infrastructure plan, but frankly it has been too lazy to do that. I do not think it has even tried. It has been too lazy to develop a comprehensive new reform program to sustain productivity growth as a basis for ongoing prosperity in this country.

I have had occasion in the past to refer to the *Intergenerational report* released by the Treasurer in 2002. That report contains projections that Australia’s productivity growth will slip back from 2.05 per cent per annum—which, up until 2003, had been the sort of productivity growth that Australia had been achieving for almost a decade—to 1.75 per cent per annum. If that were to happen in combination with the impact of the ageing of the population, Australia’s economic growth per person from the decade of 2010 onwards would be the slowest since the decade of the Great Depression. That has to be a cause for grave concern amongst policy makers but, amazingly, it does not seem to be a cause for concern in the Howard government. Mr Deputy Speaker, recall that I said that 1.75 per cent per annum is the assumed productivity growth in the *Intergenerational report*, but it is not 1.75 per cent per annum now. It is not even one or zero per cent. Australian productivity growth, from the beginning of
in 2004, slipped into reverse, went negative and has been stuck there ever since.

Surely the government is concerned about that, but the Treasurer says the solution to low productivity growth—to Australia’s negative productivity growth—is almost complete deregulation of the labour market. As economists have pointed out, if the Treasurer happened to be right in saying that this would increase employment levels, it would in fact reduce productivity growth. So the Treasurer does not even have that right. I do not believe that this Work Choices legislation will improve employment levels. All it will do is make job security a thing of the past. If you have people worried about their jobs day in and day out, then you do not get the best out of them. You do not get the best out of working people when their jobs are insecure and when the relationship with their employer is so badly unbalanced. We will not get productivity growth as a result of the Work Choices legislation, so we need to look around and see where else could Australia get the much needed second round of productivity growth.

It will not be from this government, because we know that fundamental to productivity growth in the 21st century is investment in education, skills, ideas and infrastructure. This government has failed on all fronts. It has failed to invest in skills, with the problem manifesting itself in acute skill shortages. Major resource projects are now being delayed for two reasons: firstly, they simply cannot get skilled workers; and, secondly, if they tried to get skilled workers, that would continue to bid up the wages of those workers not only in those projects but also in all the other resource projects and associated projects around Australia—and Australia’s major resource companies are very worried about that.

The consequence is that these skill shortages are holding back Australia. They are holding back our economic growth. They are holding back our productivity growth. Indeed, they are holding back our export growth. It is just astonishing that the Minister for Trade walks into the parliament every second day boasting about Australia’s great export performance. Let me tell you about Australia’s export performance: it is the worst export performance since the Second World War, despite the best commodity prices for at least 30 years and perhaps 50 years. How you could achieve that result is amazing when you are blessed with such endowments as record commodity prices; yet Australia has put in its worst export performance since the Second World War.

As I was pointing out, there is no economic reform program. There is not the required investment in skills. In fact, in the 1997 budget—the only budget in which there was genuine spending restraint—the government reduced its investment in skills because it thought that was dispensable, and here we are today paying the price. There has been nothing on the skills front.

In relation to university education, Australia now has a situation where all of the growth in the last 10 years—in the 10 long years of the Howard government—all of the growth of enrolments in Australian universities has been from full fee paying foreign students. There has been no increase in enrolments by Australian students. Why? Because they are being priced out of a university education by the government continually increasing HECS charges or allowing universities to increase HECS charges, and also by its move to full fee paying Australian students. Young people are doing the calculations and they are coming to the judgment that it is just not worth it. As a consequence, we then have a situation where last year, for only the second time in 50 years, enrolments
of Australian students in our universities actually fell. Early indications for 2006 are that that is going to happen again. So there is no investment in skills and no investment in our universities.

I will now go to investment in ideas. The government’s record in relation to investment in ideas and innovation is appalling. While the rest of the Western world is surging ahead in terms of business spending on research and development as a share of gross domestic product, Australia’s has just finally lifted a little, but the gap continues to widen. It is that gap that is relevant to our performance as an economy compared with those countries.

Productivity growth could also be gained through investment in infrastructure. This brings me back to this particular piece of legislation. There has been very little investment in infrastructure by this government. It is now well known that before the 2004 election the government went on a $66 billion spending spree. Add that to the extra spending that has occurred after the election and it is well over $100 billion. I have calculated that no more than $7 billion of that could be considered investment in Australia’s future—investment in infrastructure and education. It is around seven per cent on a generous interpretation. The rest of it is essentially consumption spending.

Here we have the government coasting on the prosperity created out of the reform program of the Hawke and Keating governments and created out of national competition policy and then squandering the proceeds on a consumption spending spree. Labor knows and understands that infrastructure possesses the characteristics of public goods. A technical term for it is ‘nonexcludability’—that is, that the owner of particular types of infrastructure cannot exclude all users. As a result of infrastructure possessing those features of a public good, if infrastructure is left purely to the private sector it will be underprovided. The government does not acknowledge this reality. Instead, it believes that the private sector has sole responsibility for the provision of infrastructure in this country, and the response is as you would expect. In economic textbooks, the under-provision of infrastructure is otherwise known as an infrastructure crisis.

These features of public goods and infrastructure mean that there are positive spill overs to the wider community from infrastructure investment, and these should really be taken into account in decisions on whether infrastructure investment should be supported by a federal government. This government does not take account of those spill-over effects and as a result we get this underprovision of infrastructure, except of course if the infrastructure happens to be in a marginal seat at the mouth of a river—for example, Tumbi Creek in the seat of Dobell. This is obviously regarded as vital national infrastructure by the Howard government and so it dredges a creek, the mouth of which had been opened up by rain just a few days before. It said, ‘No, we need to retain that marginal seat, so we’ll keep it open by dredging it again,’ even though that was a complete waste of money. That is this government’s idea of investment in infrastructure. It is an investment in getting re-elected, it is an investment in marginal seats, but it is not an investment in Australia’s future.

Labor, instead, supports the establishment of Infrastructure Australia, effectively an infrastructure authority that would be given the responsibility of developing a national infrastructure plan and coordinating and arranging the necessary investment in infrastructure. Australia desperately needs a national infrastructure plan and an infrastructure advisory council to provide that advice. We had a debate in this parliament just yes-
terday on the Future Fund. It would make good economic sense for some of the proceeds going to the Future Fund instead being invested in the implementation of a national infrastructure plan on the basis of objective advice, not of pork-barrelling. These are some of the contrasts between the coalition government and Labor.

We do have a commitment to a national infrastructure plan. We do have a commitment to securing that much-needed next round of productivity growth through investment in infrastructure, through investment in the talents of our people and through investment in ideas. It is time that the government got on with that particular crusade and developed such a plan. Our hopes are forlorn that that will happen and, therefore, the Australian people will have to wait for 2007 for a change of government to get the infrastructure investment that Australia so desperately needs.

Mr PEARCE (Aston—Parliamentary Secretary to the Treasurer) (10.47 am)—It is my pleasure to sum up this debate on this important legislation, the Trade Practices Amendment (National Access Regime) Bill 2005, this morning. The government has decided to accept the recommendation contained in the report of the Senate Economics Legislation Committee into the provisions of the Trade Practices Amendment (National Access Regime) Bill 2005 and to amend the bill to give effect to the committee’s recommendation.

The bill implements the Australian government’s final response to the 2001 Productivity Commission’s review of the national access regime. The Productivity Commission recommended that statutory pricing principles should be established to guide access pricing decisions by the Australian Competition and Consumer Commission, otherwise known as the ACCC, when arbitrating access disputes and when considering whether to accept an access undertaking or access code under the national access regime. The Australian government’s response to the Productivity Commission review accepted the recommendation that pricing principles be included in part IIA.

However, in the course of developing the draft bill it was decided that implementing the pricing principles by way of a legislative instrument would be preferable, as this would afford greater flexibility should experience highlight a need for changes to them. Consequently, the bill currently provides that the Commonwealth minister must, by legislative instrument, determine the principles relating to the price of access to a service to which the ACCC must have regard.

The Senate Economics Legislation Committee subsequently conducted an inquiry into the bill and released its report on 8 September 2005. The committee’s report notes that submissions to the inquiry were supportive of the bill and that the proposed pricing principles were not controversial. The committee further noted that the pricing principles were broadly supported by all witnesses to the inquiry. However, the committee also reported that many submissions expressed concern at the government’s proposed method of introducing pricing principles under part IIA by the use of a legislative instrument rather than by enactment in the bill itself. The main concerns expressed in submissions were that there would be a lack of certainty for infrastructure investors because of the greater potential for changes to be made to the pricing principles, possibly without consultation, and that the use of a legislative instrument entailed less transparency and parliamentary scrutiny. The government determined that it would accept the committee’s recommendation that the pricing principles be included in the bill. An an-
The introduction of pricing principles should achieve a number of important objectives. The pricing principles will provide guidance on how the broad objectives of access regimes should be applied in setting terms and conditions and provide additional certainty to regulated firms and access seekers, in turn improving the operation of the negotiation arbitration framework. Further, pricing principles will provide some guidance for the approaches adopted in particular industry access regimes and the pricing principles will help to address concerns that a regulator’s own values will unduly influence decisions relating to the terms and conditions of access. Decision makers will be required to have regard to the pricing principles rather than requiring each and every principle to be satisfied. The pricing principles will assist in ensuring consistent and transparent regulatory outcomes. They will also enhance certainty for investors and access seekers and facilitate commercial negotiations between parties.

I was pleased to hear that the opposition supports the majority of the measures contained in the bill. However, there are two significant differences between the opposition’s proposed amendments on pricing principles and those of the government. First, the government amendments provide that regulated access prices should be set so as to generate expected revenue for a regulated service or services that is at least sufficient to meet the efficient costs of providing access to a regulated service or services. The opposition’s amendments mirror the government’s amendments but they omit the words ‘at least’. Omitting the words ‘at least’, as proposed by the opposition, would reduce the scope for regulatory decisions on access prices that provide appropriate encouragement for new investment in infrastructure and would thereby undermine one of the key aims of the bill. Retaining the words ‘at least’, as far as per the government’s amendments, ensures the pricing principles facilitate incentives for service providers to continue to invest in infrastructure.

Second, the opposition amendments seek to ensure that the regulator is not required to consider regulatory risk in any return on investment. On the other hand, the government amendments provide that access prices should include a return commensurate with the regulatory and commercial risks involved. To remove scope for the regulator to factor into investment returns an amount to compensate for regulatory risks would be to ignore concerns put forward by service providers in the Productivity Commission’s review that regulated investment returns do not accurately account for the uncertainty that may arise from regulatory decision-making processes. I note also that the Productivity Commission consulted extensively on these amendments, while the wording of the opposition’s amendments has not been subject to the same level of scrutiny.

In summary, the government does not accept the opposition’s amendments. We do not accept them because they would appear to contradict one of the key aims of the bill, supported strongly by industry, which is to facilitate efficient use of and investment in infrastructure.

The Senate Economics Legislation Committee made a second recommendation in its report on the bill, namely that the Senate pass the bill subject to the abovementioned change being made to the implementation of pricing principles. With the government having responded fully to the sole concern identified in the committee’s recommendations, and given strong industry support for these measures, the government considers that the bill deserves the full support of this House.
The DEPUTY SPEAKER (Hon. BC Scott)—The original question was that this bill be now read a second time. To this the honourable member for Hunter has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The immediate question is that the words proposed to be omitted stand part of the question.

Question agreed to.

Original question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr PEARCE (Aston—Parliamentary Secretary to the Treasurer) (10.54 am)—by leave—I present a supplementary explanatory memorandum to the bill. I move government amendments (1) to (4) together:

(1) Schedule 1, item 67, page 31 (line 6), omit “determined under”, substitute “specified in”.

(2) Schedule 1, item 92, page 39 (line 21), omit “determined under”, substitute “specified in”.

(3) Schedule 1, item 100, page 40 (line 23), omit “determined under”, substitute “specified in”.

(4) Schedule 1, item 110, page 48 (lines 20 to 23), omit section 44ZZCA, substitute:

44ZZCA Pricing principles for access disputes and access undertakings or codes

The pricing principles relating to the price of access to a service are:

(a) that regulated access prices should:

(i) be set so as to generate expected revenue for a regulated service or services that is at least sufficient to meet the efficient costs of providing access to the regulated service or services; and

(ii) include a return on investment commensurate with the regulatory and commercial risks involved; and

(b) that the access price structures should:

(i) allow multi-part pricing and price discrimination when it aids efficiency; and

(ii) not allow a vertically integrated access provider to set terms and conditions that discriminate in favour of its downstream operations, except to the extent that the cost of providing access to other operators is higher; and

(c) that access pricing regimes should provide incentives to reduce costs or otherwise improve productivity.

As I mentioned earlier, the government has decided to accept a recommendation contained in the report of the Senate Economics Legislation Committee into the provisions of the Trade Practices Amendment (National Access Regime) Bill 2005 and to amend the bill to give effect to the committee’s recommendation.

The bill implements the government’s final response to the 2001 Productivity Commission’s Review of the National Access Regime. The Productivity Commission recommended that statutory pricing principles should be established to guide access pricing decisions by the ACCC when arbitrating access disputes and considering whether to accept an access undertaking or access code under the national access regime.

The government’s response to the Productivity Commission’s review accepted the recommendation that pricing principles should be included in part IIIA. However, as I mentioned in my summing up speech, in the course of developing the draft bill it was decided that implementing the pricing principles by way of what was originally proposed as a legislative instrument would be preferable, as this would afford greater flexi-
bility should experience highlight a need for changes to those pricing principles. Consequently, the bill currently provides that the Commonwealth minister must, by a legislative instrument, determine the principles relating to the price of access to a service to which the ACCC must have regard.

The Senate Economics Legislation Committee conducted an inquiry into the bill and released its report in September last year. The committee’s report notes that submissions to the inquiry were very supportive of the bill and that the proposed pricing principles were not controversial and were broadly supported by all witnesses to the inquiry. However, as I mentioned, a majority of submissions did express some concern at the government’s proposed method of introducing the pricing principles under part IIA by the use of a legislative instrument rather than enactment in the bill itself. These concerns largely centred around the idea that there would be a lack of certainty for infrastructure investors because there could be greater potential for changes to be made to those pricing principles, possibly without consultation, and that the use of a legislative instrument may have entailed less transparency and less parliamentary scrutiny.

So, on balance, the government considers that it should address these concerns by accepting the committee’s recommendations that the pricing principles be included in the bill itself. The apparent depth of concern revealed by the committee’s inquiry outweighs the greater flexibility that the use of a legislative instrument would provide.

I mentioned in my second reading speech—and I will cover it again briefly—that the introduction of these principles will achieve a number of important objectives. They will provide guidance on how the broad objectives of access regimes should be applied in setting terms and conditions. They will provide additional certainty to regulated firms and access seekers, in turn improving the operation of the whole negotiation and arbitration framework. The pricing principles will also provide some guidance for approaches adopted in industry regimes and help to address concerns that a regulator’s own values will unduly influence decisions relating to the terms and conditions of any access. The fact is that decision makers will be required to have regard to the pricing principles rather than requiring each and every principle to be satisfied. The pricing principles will assist in ensuring what will be a very consistent and transparent regulatory outcome. They will also enhance certainty for investors and access seekers and they will facilitate commercial negotiations between the parties.

As I mentioned, the committee made a second recommendation in its report. That recommendation was that the Senate should pass the bill subject to the abovementioned change being made. Given this additional recommendation, and given that the government has responded in a positive way to the recommendation of the Senate Economics Legislation Committee and has presented the amendments to the bill—and that they are not substantial—we believe that this bill should receive the full support of this House.

Question agreed to.

Mr FITZGIBBON (Hunter) (11.00 am)—I move:

(4) Schedule 1, item 110, page 48 (lines 20-26),
omit subsection 44ZZCA, substitute:

44ZZCA Pricing principles for access disputes and access undertakings or codes

The principles relating to the price of access to a service are:

(a) that regulated access prices should:

(i) be set so as to generate expected revenue for a regulated service or services that is suf-
ficient to meet the efficient costs of providing access to the regulated service or services; and
(ii) include a return on investment commensurate with the commercial risks involved;
(b) that the access price structures should:
(i) allow multi-part pricing and price discrimination when it aids efficiency; and
(ii) not allow a vertically integrated access provider to set terms and conditions that discriminate in favour of its downstream operations, except to the extent that the cost of providing access to other operators is higher; and
(c) that access pricing regimes should provide incentives to reduce costs or otherwise improve productivity.

Note: The Commission must have regard to the principles in making a final determination under Division 3 and in deciding whether or not to accept an access undertaking or access code under Division 6

This has been a disappointing bill—disappointing both for what is contained within it and for what is not contained within it. The obvious omission was the government’s original unpreparedness to include the pricing principles within the bill per se. We welcome the government’s backdown and the fact that the minister has just moved an amendment, supported by us, that finally supports the view, after a very effective Senate committee inquiry, of the Productivity Commission that those pricing principles should be contained within the bill.

I say the bill has been disappointing for its omissions, and I want to quickly make two key points here. The first omission is the failure of the bill, and the PC report for that matter, to address the definition of ‘infrastructure facility’, as opposed to definitions like ‘supply of goods’, which was the main point of contention in the very well-known case involving Robe River and Hamersley Iron. I know that the shadow minister for mining and energy addressed that during his contribution to the second reading debate. That is still an unsettled part of the law. This is causing great concern and uncertainty for potential access seekers, including Fortescue, which is currently looking for access in the Pilbara. This would have been an opportunity to address that definition in the bill.

The second omission is the failure to address clause 6 and the ability of a publicly owned facility to avoid part IIIA. That is leading some access seekers to go down the path of section 46 rather than worry about part IIIA, because they know that the problem remains in place—the ability of state owned facilities to effectively avoid part IIIA. Again, that is not addressed in the bill.

I have distributed some detailed amendments. On the face of it, they are very minor. They contain very subtle word changes to the government’s bill. But as subtle as they might seem in word, they can and will make significant changes to the operation of the act, if supported. The first amendment takes two words out of 44ZZCA (a)(ii) in the government’s bill, which reads:

... be set so as to generate expected revenue for a regulated service or services that is sufficient to meet at least the efficient costs of providing access to the regulated service or services ...

We are taking out the words ‘at least’, because we do not understand why it needs to be more than sufficient. It is a point that the minister addressed during his contribution and it is a point that I am happy to respond to. We do not understand why it needs to be more than sufficient. We are concerned that,
again, this is a swinging of the pendulum back in favour of monopoly infrastructure owners, to the detriment of access seekers and, therefore, to the detriment of consumers who rely on competition in upstream and downstream markets.

The second amendment is to part (ii) of the provision where the government wants to require the ACCC to take into account the concept of regulatory risk. I know that this issue has been pursued quite enthusiastically by a number of owners of infrastructure facilities. I can understand their concern about regulatory risk. I acknowledge the concept of regulatory risk. I acknowledge that it exists. I acknowledge that it is very real. On that basis I think the ACCC should, if it sees fit, take into account the concept of regulatory risk. But I do not think it should be such a subjective test that the ACCC is forced to take into account regulatory risk. My amendment allows the commission to take into account regulatory risk as part of the assessment of commercial risk, if it sees fit in the circumstances. I think that is a reasonable and responsible proposition. What we are doing today is appealing to the government to accept the opposition’s amendments as a means of making part IIIA a generally more effective and proficient provision.

Question put:
That the amendment (Mr Fitzgibbon’s) be agreed to.

The House divided. [11.10 am]
(The Deputy Speaker—Hon. BC Scott)

Ayes.......... 58

Noes.......... 80

Majority....... 22

AYES

Albanese, A.N.  Beazley, K.C.
Bird, S.  Bowen, C.
Burke, A.E.  Burke, A.S.
Byrne, A.M.  Corcoran, A.K.
Crean, S.F.  Danby, M. *
Edwards, G.J.  Elliot, J.
Ellis, A.L.  Ellis, K.
Emerson, C.A.  Ferguson, L.D.T.
Ferguson, M.J.  Fitzgibbon, J.A.
Garrett, P.  Georganas, S.
George, J.  Gibbons, S.W.
Gillard, J.E.  Grierson, S.J.
Griffin, A.P.  Hall, J.G. *
Hatton, M.J.  Hayes, C.P.
Hoare, K.J.  Irwin, J.
Jenkins, H.A.  Kerr, D.J.C.
King, C.F.  Lawrence, C.M.
Livermore, K.F.  Macklin, J.L.
McClendon, R.B.  McMullan, R.F.
Melham, D.  Murphy, J.P.
O’Connor, B.P.  O’Connor, G.M.
Owens, J.  Plibersek, T.
Price, L.R.S.  Quick, H.V.
Ripoll, B.F.  Roxon, N.L.
Rudd, K.M.  Sawford, R.W.
Sercombe, R.C.G.  Smith, S.F.
Snowdon, W.E.  Swan, W.M.
Tanner, L.  Thomson, K.J.
Vamvakionou, M.  Wilkie, K.

NOES

Abbott, A.J.  Anderson, J.D.
Andrews, K.J.  Bailey, F.E.
Baird, B.G.  Baker, M.
Baldwin, R.C.  Barresi, P.A.
Bartlett, K.J.  Bishop, B.K.
Bishop, J.I.  Broadbent, R.
Brough, M.T.  Cadman, A.G.
Causley, I.R.  Ciobo, S.M.
Cobb, J.K.  Costello, P.H.
Downer, A.J.G.  Draper, P.
Dutton, P.C.  Entsch, W.G.
Fawcett, D.  Ferguson, M.D.
Forrest, J.A. *  Gambaro, T.
Georgiou, P.  Haase, B.W.
Hardgrave, G.D.  Hartsuyker, L.
Henry, S.  Hockey, J.B.
Hull, K.E.  Hunt, G.A.
Jensen, D.  Johnson, M.A.
Jull, D.F.  Katter, R.C.
Keenan, M.  Kelly, D.M.
Kelly, J.M.  Laming, A.
Ley, S.P.  Lindsay, P.J.
Lloyd, J.E.  Macfarlane, I.E.
Markus, L.  May, M.A.
McArthur, S. *  McGauran, P.J.
Moylan, J.E. Nairn, G.R.  
Nelson, B.J. Neville, P.C.  
Pyne, C. Prosser, G.D.  
Richardson, K. Robb, A.  
Ruddock, P.M. Schultz, A.  
Secker, P.D. Smith, A.D.H.  
Somlyay, A.M. Southcott, A.J.  
Stone, S.N. Thompson, C.P.  
Ticehurst, K.V. Tuckey, C.W.  
Truss, W.E. Vaile, M.A.J.  
Vale, D.S. Washer, M.J.  
Windsor, A.H.C. Wood, J.  

* denotes teller

Question negatived.

Bill, as amended, agreed to.

**Third Reading**

Mr PEARCE (Aston—Parliamentary Secretary to the Treasurer) (11.19 am)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**STANDING ORDERS**

Mr ABBOTT (Warringah—Leader of the House) (11.20 am)—I move:

(A) In standing order 1, **Maximum speaking times**, the section of the table headed **Committee and delegation reports on Mondays** be amended to read:

<table>
<thead>
<tr>
<th>Committee and delegation reports on Mondays</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>in the House</strong></td>
<td></td>
</tr>
<tr>
<td>Each Member</td>
<td>10 mins maximum, as allotted by the Selection Committee</td>
</tr>
</tbody>
</table>

| in the Main Committee                     |  |
| Each Member                                | 10 mins |

(standing orders 39, 40, 192(b))
(B) In standing order 1, Maximum speaking times, after the section of the table headed Condolence motion, the following new section be inserted:

<table>
<thead>
<tr>
<th>Dissent motion</th>
<th>30 mins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole debate</td>
<td>10 mins</td>
</tr>
<tr>
<td>Mover</td>
<td>5 mins</td>
</tr>
<tr>
<td>Seconder</td>
<td>10 mins</td>
</tr>
<tr>
<td>Member next speaking</td>
<td>5 mins</td>
</tr>
<tr>
<td>Any other Member</td>
<td></td>
</tr>
</tbody>
</table>

(standing order 87)

(C) Standing order 39 be amended to read:

39 Presentation of reports
(a) Members can present reports of committees or delegations:
   (i) as agreed by the Selection Committee, following prayers on Mondays; or
   (ii) at any time when other business is not before the House.
(b) Members can make statements in relation to these reports:
   (i) during the special set period on Mondays (standing order 34); the Selection Committee shall set time limits for statements, of not more than 10 minutes for each Member; or
   (ii) at any other time, by leave of the House.
(c) The Member presenting a report may move without notice, a specific motion in relation to the report. When a report has been presented on Monday under paragraph (a)(i) debate on the question shall be adjourned to a later hour and a motion may be moved that the report be referred to the Main Committee. In other cases debate shall be adjourned to a future day.

(D) Standing order 40 be amended to read:

40 Resumption of debate on reports
(a) After presentation of reports on Mondays proceedings may be resumed on motions in relation to committee and delegation reports moved on an earlier day.
(b) For debate in accordance with paragraph (a) the Selection Committee shall set:
   (i) the order in which motions are to be considered;
   (ii) time limits for the whole debate; and
   (iii) time limits for each Member speaking, of not more than 10 minutes.
(c) During the period provided by standing order 192 proceedings may be resumed in the Main Committee on motions in relation to committee and delegation reports referred that day or on an earlier day.

(E) Standing order 187 be amended to read:

187 Maintenance of order
(a) In the Main Committee the Deputy Speaker has the same responsibility for the preservation of order as the Speaker has in the House.
(b) If disorder occurs in the Committee, the Deputy Speaker:
   (i) may direct the Member or Members concerned to leave the room for a period of 15 minutes [standing order 94(e) (exclusion from Chamber, etc.) does not apply]; or
   (ii) may, or on motion moved without notice by any Member must, suspend or adjourn the sitting. If the sitting is adjourned, any business under discussion and not disposed of at the time of the adjournment shall be set down on the Notice Paper for the next sitting.
(c) Following a suspension or adjournment of the Committee or a refusal of a Member to leave when so directed under paragraph (b), the Deputy Speaker must report the disorder to the House.
(d) The Deputy Speaker may report the conduct of a Member whether or not action has been taken under paragraph (b).
(e) Any subsequent action against a Member under standing order 94 (sanctions against disorderly conduct) may only be taken in the House.

(F) Standing order 190 be amended to read:

190 General rules for suspensions and adjournments of the Main Committee

The following general rules apply to meetings of the Main Committee:

(a) The Deputy Speaker must suspend proceedings in the Committee to enable Members to attend divisions in the House.

(b) If a quorum is not present the Deputy Speaker must immediately suspend proceedings until a stated time, or adjourn the Committee.

(c) If the House adjourns, the Deputy Speaker must interrupt the business before the Committee and immediately adjourn the Committee.

(d) The Committee need not adjourn between items of business, nor during a suspension of the House.

(e) The Committee shall stand adjourned at 6 pm, unless otherwise ordered, when the committee meets on Mondays in accordance with standing order 192(b), or on completion of all matters referred to it, or may be adjourned on motion moved without notice by any Member—

That the Committee do now adjourn.

(f) No amendment may be moved to the question.

(G) Standing order 192 be amended to read:

192 Main Committee’s order of business

(a) If the Committee meets on a Wednesday or Thursday the normal order of business is set out in figure 4.

(b) On sitting Mondays the Committee shall meet from 4 pm to 6 pm if required to consider orders of the day relating to committee and delegation reports in accordance with standing order 40 (resumption of debate on reports).

Figure 4 Main Committee order of business

<table>
<thead>
<tr>
<th>MONDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.30 am</td>
<td>3 min statements</td>
<td>9.30 am</td>
</tr>
<tr>
<td>approx 10.00 am</td>
<td></td>
<td>approx 10.00 am</td>
</tr>
<tr>
<td>4.00 pm</td>
<td>Committee and delegation reports</td>
<td></td>
</tr>
<tr>
<td>approx 6.00 pm</td>
<td>1.00 pm</td>
<td></td>
</tr>
</tbody>
</table>

The sitting times of the Main Committee are set by the Deputy Speaker and are subject to change. Additional sittings may be scheduled if required. Adjournment debates can occur on days other than Thursdays by agreement between the whips.
Standing order 193 be amended to read:

193 Members’ three minute statements

If the Main Committee meets before 10 am the first item of business shall be statements by Members. The Deputy Speaker may call a Member, including a Parliamentary Secretary but not a Minister, to make a statement for no longer than three minutes. The period for Members’ statements may continue for 30 minutes, irrespective of suspensions for divisions in the House.

This motion gives effect to recommendations of the Procedure Committee. There are five matters covered by the motion.

The motion amends the standing orders to deal with the presence of visitors and members who are not committee members in private meetings of committees of the House. The standing orders are amended to allow the Main Committee to sit on Monday afternoons to deal with committee and delegation reports. The standing orders are amended to ensure that the full 30 minutes is available for members’ statements in the Main Committee, notwithstanding divisions which might interrupt it. The standing orders are amended to provide more options for the Deputy Speaker to ensure order in the Main Committee and, finally, the standing orders are amended to provide for a maximum limit for dissent motions here in the House. As I said, they are all recommendations of the Procedure Committee. I commend the committee for its work, and I commend the motion to the House.

Mr PRICE (Chifley) (11.21 am)—In relation to these proposals to amend the standing orders, can I indicate on behalf of the opposition our support for them. We thank the Leader of the House for bringing them very expeditiously forward. I note that the Chair of the House of Representatives Procedure Committee, the honourable member for McPherson, is in this place. I would like to acknowledge the good role that she and the members of the Procedure Committee play in trying to make sensible changes to our standing orders to better facilitate the business of the House and provide opportunities for members. I do not want to comment on every aspect of these changes, but I do want to indicate the opposition’s strong support for the change in relation to members of parliamentary committees or those who served on parliamentary delegations not only being able to table their reports in the House of a Monday but, at 4 pm, being able to debate these reports in a timely way.

I think that this change, together with one other, will as we go forward be seen as a turning point for members in the importance with which they consider the Main Committee. It is true to say that the Main Committee’s role has evolved. I know that the chair of the Procedure Committee and the committee members generally, together with Deputy Speaker Causley, are very keen to see the ongoing development of the Main Committee. In particular, I am pleased that we are preserving in the Main Committee three-minute statements—a relatively new addition to opportunities for private members—and Main Committee adjournments. When I say that we are preserving them, they are often interrupted by divisions. Therefore, once the division is completed a member who was speaking or was listed to speak loses that opportunity. That will no longer be the case.

I might put on the record that from the opposition’s point of view we understand that there is a quid pro quo for that. In other words, where the government has reduced time for its bills in the Main Committee, the opposition will facilitate an extension to allow the government to complete its business. The Chief Government Whip and I have a very good relationship. Often matters involving the Main Committee largely depend on agreements reached between the Chief Government Whip and me, and I put on the record the opposition’s commitment that gov-
ernment business will not be harmed or delayed by making this important change that will benefit members.

I will mention one other thing, and that is the maintenance of order. I have always had a bit of a reservation about that, because it is the nature of the Main Committee that it is informal. You can have interventions in the Main Committee that you cannot hear. The debates tend to be far more relaxed and interactive. That is an atmosphere and an approach that we need to preserve. It is true that the only weapon that the Deputy Speaker or members of the Speaker’s panel have in relation to disorder is of course the catastrophic one of adjourning the House. The Deputy Speaker may now suspend members for 15 minutes. It is our expectation on the opposition side that this will be used lightly and that anyone occupying the chair would feel very much pressed to the nth degree before this suspension in the Main Committee were invoked.

Can I place on record the fact that in the Main Committee there is a much more free-flowing debate. It would be a disappointment to the opposition if a member were suspended on the basis that, in speaking to a bill, a very narrow construction of the confines of that bill were taken. That was the incident that I understand led to the request for this. But, Mr Deputy Speaker, I do not want to quibble with you. The opposition supports all these measures introduced by the Leader of the House. We thank him and, in particular, I again acknowledge the role of the chair of the committee, the honourable member for McPherson; our deputy chair, the honourable member for Banks, Mr Melham; and the other committee members for their work.

Mrs MAY (McPherson) (11.27 am)—I acknowledge the member for Chifley and the comments he has made today on these amendments to the standing orders. I would like to put on record some comments, as the Chair of the House of Representatives Standing Committee on Procedure, with regard to the amendments that were introduced by the Leader of the House today. I think all members of the Standing Committee on Procedure have worked tirelessly to ensure in particular that members have more opportunities to speak. It is to that end that we put up a number of recommendations, and I am delighted that they have been accepted by the Leader of the House and will become sessionsal orders for the remainder of 2006.

The five matters that we have before us today are certainly important, but I will confine my remarks particularly to the delegation and committee reports and the opportunities for members to speak on these reports. I think most of us in this House agree that the opportunity for members to speak on these reports has been very small. The opportunity has not been there. It is usually the chairman and the deputy chairman of a committee who have the opportunity to speak on a report. Members put a lot of time into those reports, and I can remember listening to a debate prior to Christmas in the Main Committee on a report brought down regarding overseas adoption. The debate that ensued in the Main Committee certainly teased out a lot of the problems, a lot of the great recommendations that came from that report and the work that had been done by members of that committee.

So I think all of us in this House applaud this forward thinking and opening up of opportunities for members to speak on these reports. In my own view, these reports have been undervalued by the parliament. In fact, many of the recommendations that come through the reports end up in legislation. Members, though, in the past have not had the opportunity to speak on those reports, and I think all members in this House will
value the time that they are going to have to be able to speak.

Protecting members’ three-minute statements from divisions in the House and ensuring that that time is given back to members is most important. At the moment, once a division is called that time is lost and members do not have an opportunity to get that time back on that day. I thank the Leader of the House for taking on board that recommendation of the Procedure Committee.

In summing up, I would like to thank all members of the Standing Committee on Procedure. As a group we have worked extremely well together. We have worked hard on bipartisan reports, but, more than that, the aim of the committee has always been for the benefit of members of this House to give them every opportunity to put forward their views and engage in interactive debate. I think we have been able to achieve that. During the last parliament the member for Chifley was the Deputy Chair of the Procedure Committee, and I welcome the member for Banks and his contribution in this parliament and appreciate how we have been able to work together. On behalf of everyone on the committee, I commend the Leader of the House and the government for moving forward on these recommendations.

Question agreed to.

STUDENT ASSISTANCE LEGISLATION AMENDMENT BILL 2005
Second Reading

Debate resumed from 7 September 2005, on motion by Dr Nelson:

That this bill be now read a second time.

Ms MACKLIN (Jagajaga) (11.31 am)—The Student Assistance Legislation Amendment Bill 2005 is testament to the bankruptcy of the Howard government’s policies in relation to student income support. On the face of it, the major purpose of this bill is to enable the government to close legislatively a student loans scheme that was earlier closed administratively. But, in moving to strip from legislation this student income support measure, what is laid bare is the complete absence of any suitable alternatives. Before I go through the details of the very sad and sorry record of student financial assistance under the Howard government, we need to remember the circumstances that have led to us considering this bill today.

In October 2003, the Howard government attempted to shut the Student Financial Supplement Scheme by legislation. It failed to muster sufficient support from the non-government senators, so, seeing the writing on the wall, the government did not proceed with the bill. But the saga did not end there. Following the withdrawal of the bill from the parliament, the government announced that it would close the Student Financial Supplement Scheme using administrative means. So it was that in December 2003 the then Minister for Education, Science and Training announced there would be no new loans from the Student Financial Supplement Scheme from 31 December that year. Basically, we had the Howard government thumbing its nose at the parliament and simply decreeing that the scheme was no longer open for business—the sort of arrogance that we are seeing more and more every day.

The method that the government chose to implement this edict was to allow its contract with the Commonwealth Bank of Australia to provide finance for the Student Financial Supplement Scheme to lapse. The government decided not to negotiate a new contract or to roll-over the existing one. I can just imagine how the previous minister, Brendan Nelson, must have congratulated himself on being able to pull this swiftie to avoid the wishes of the parliament.
Now that the government have complete control of both the House and the Senate, this bill is brought back before us. Now they are just going to push this through and we can expect that, because the government have the numbers, the bill will be passed into law and it really will be curtains for a scheme that filled a need for students requiring additional income support. There is no question that the scheme provided extra options for students to tailor their individual needs and meet their circumstances.

The Student Financial Supplement Scheme was first established in 1993, and in its first year of operation about 44,000 students took advantage of this new supplement. By 1996 the number of students with a financial supplement loan had grown to about 68,000—about 13 per cent of all Austudy and Abstudy recipients. So a fairly substantial number of students had taken advantage of this scheme. Most of the loans were accessed through the scheme between 1995 and 1999, and, of course, a large number of students were assisted by this flexible facility beyond those years. In excess of 200,000 loans were made available through the scheme in the last five years of its operation until 2003.

In the last year of the scheme, about 40,000 students applied for and accepted these loans. Of those students, over 15 per cent were Indigenous, some from very remote regions, over 15 per cent were single parenting payment recipients, about 12 per cent were recorded as not having been born in Australia and, interestingly, over 50 per cent were women.

These figures really do reinforce data provided by the government that disclosed that the largest number of beneficiaries of these loans were low-income earners such as single parents, people with disabilities and Indigenous students—people who basically could not access support from other sources such as their parents or who faced other constraints in the labour market. If you look at the data that the government has provided, there is no doubt that this scheme was of greatest assistance to those students who were most financially vulnerable. Those students made it plain to us in letters and emails that they were in grave danger of not completing their studies if this scheme did not exist.

Unfortunately, when the government decided to pull the rug out from beneath the feet of these students in 2003 with the sudden closure of the scheme, it left many of those already disadvantaged students in a very difficult financial position. That is now a few years ago, so we in the opposition have to accept the reality that this scheme is closed—until now closed by administrative means—but we are not prepared to meekly accept that, with the closure of this scheme, there should be nothing to fill this void. The record of this government shows a complete lack of adequate income support for students, and there seems to be a complete lack of interest in the real hardships faced by many university students.

We only have to look at a major report done by the Senate Employment, Workplace Relations and Education References Committee on student income support to see the severe shortcomings of the government in this area of public policy. The Senate report describes in great detail how, after 10 long years of policy neglect from this government, many tertiary education students face significant financial hardship and insecurity. I recommend the Senate report to the new minister. I hope she has a more sympathetic attitude to the needs of struggling students because there is no question that there are many of them. I draw the attention of the new minister to the preface of the Senate inquiry’s report, which records:
Over the last decade the student income support system has operated in a policy vacuum. It is now showing the signs of this neglect. The Government’s preoccupation with program efficiency over policy effectiveness and continuing problems with Centrelink’s delivery of payments have taken their toll on students. The current level of income support does not come close to providing students with a decent living wage to cover the cost of accommodation, food, bills, and transport. The level of income support has been falling steadily behind the rising cost of living. This has resulted in many students experiencing severe financial hardship and poverty.

Under the heading of ‘Policy neglect’ the report says:

... the student income support system has operated in a policy vacuum for too long, and is showing clear signs of policy neglect and poor service delivery. Many witnesses conveyed a strong view that the drift in student income support policy is not only unacceptable but has become an important factor contributing to the financial hardship of many students .... One of the consequences of this neglect is that the increasing financial hardship among the student population is not included on the national policy agenda.

You would have to say that this bill finally confirms that fact. The evidence presented to the Senate committee about the ramifications of the increasingly long hours that many students are being required to work led to a very blunt warning from the committee. They said:

There is general agreement among students and academic experts that Government measures are needed to arrest the deteriorating state of student finances. Without Government intervention, a combined weekly total of 60 hours of full-time study and part-time work will soon become the norm for a majority of students. The committee believes this is an unacceptable scenario for students to have to face.

It certainly is the case that many academics put to me. I have had vice-chancellors seriously complaining that so many students these days have to do so much paid work it is having a major impact on the capacity of students to attend to their university work. If that were not sufficiently clear, the committee then emphasised in its report that supplementing income support payments with paid employment is no longer an added extra for many students. Part-time work has become a necessity for students. As the report says, it is all about just making ends meet. It is about paying the rent, putting food on the table and paying for transport. The committee goes on to talk about the detriment to students who are not able to complete their studies. It is high time the government recognised that for many students the situation is very grim indeed. The casualties are, first and foremost, the students who are in the direct line of fire when it comes to this government.

This government has imposed so many different policy changes on students. Most recently there was a most extraordinary ideological change—the ramming through parliament of the voluntary student unionism legislation. We know the government did have warning from its own department that the voluntary student unionism legislation would also have a very negative impact on low income and disadvantaged students, but it seems that the government was more interested in its longstanding ideological view about voluntary student unionism rather than in worrying about the needs of disadvantaged students and the very important services which those students rely upon and which student organisations have provided over the years. The government had plenty of information in advance from its own department about how bad this would be. I quote from a FOI document from the department that the *Australian* newspaper received:

A student support argument has raised the concern that, without support services, many disadvantaged students would not be able to complete their studies.
So we have the minister’s own department making it very plain that it is concerned about many disadvantaged students not being able to complete their studies. This is in the face of what can only be described as the extraordinarily ideological legislation that was pushed through parliament on the last sitting day of last year.

This situation is particularly serious for rural students. I would have hoped that our National Party members in this parliament would recognise that it is very tough for rural students, especially those who have to come to the city to study at a university. A major study done at Melbourne University last year showed that one in five rural students deferred their university education, with the major reason given being ‘the greater need for rural students to accumulate savings to meet their additional costs of attending university’.

I am sure we all understand how much harder it is for rural students, so I would have hoped to see much more action from the National Party, with some pressure being brought to bear on the government to make sure there is decent income support to enable rural students who want to go on to tertiary education to do so. Unfortunately, we have not seen any of that sort of action. All we have seen is the National Party supporting the coalition, as usual, in the final abolition of this scheme that certainly did help many rural students. The remedy to this problem is in the hands of the government, but we on this side of the House will not hold our breath waiting for this government to act, because they have not done anything helpful to enable students to manage their financial commitments in the 10 years they have been in government.

By contrast, before the last election Labor put forward two very practical proposals: one was to extend rent assistance to Austudy recipients, which would certainly have helped those students who are dependent on Austudy by enabling them to get extra support to cover their rent. We also proposed reducing the age of independence for students on Youth Allowance from 25 to 23, another measure that certainly would have helped students in that age bracket. Unfortunately, we have not seen any proposals of any sort from the government which will help students in this regard. As I said before, we have a new minister. It is to be hoped that she will recognise that this is a very serious problem facing students in our tertiary institutions. I hope that with the cancellation of this scheme we might see some real proposals come forward, but, as I said before, we will not be holding our breath.

This bill also contains a clause unrelated to the closure of the Student Financial Supplement Scheme but which is potentially of significant moment in relation to two further income support schemes. I particularly want to draw the attention of the House to this clause. It would remove the need to make new regulations each time the guidelines for Abstudy and the Assistance for Isolated Children schemes are altered. Such a provision is described by the government as a ‘minor technical amendment’, but advice from the Parliamentary Library indicates that it is not minor at all and may have major consequences for parliamentary oversight of important elements of these two schemes.

One of the very important roles for any parliament is to make sure there is sufficient scrutiny of the proposals advanced by the executive in any act. Appropriate levels of accountability demand that such scrutiny and oversight occur in relation to all instruments of legislative authority. This is particularly the case for non-statutory programs such as Abstudy. In fact, in relation to Abstudy, it seems that the only opportunity for the parliament to be aware of changes to certain
important components of the scheme in the past was via the process for notification from time to time of the date of changes to the relevant Abstudy policy manual, which is, in effect, the compendium of guidelines made under the scheme.

I say in the past because the Department of Education, Science and Training has advised the Senate committee which conducted an inquiry into this bill that references to Abstudy and the isolated children schemes have recently been removed altogether from the regulations. Where that leaves parliamentary scrutiny of these schemes is entirely unclear. I do not for a minute pretend that this issue is not legally complex or difficult and, as I said, I am relying on the expertise of the Parliamentary Library’s research service, which has set out the two competing interpretations of the bill’s provisions in this regard. To try to help the House I want to quote from the *Bills Digest* prepared on this bill, because it is a complex matter. It states:

The changes to section 48 of the SSA will modify the way in which notification obligations are to be defined. Under the new regime, the scope of the obligation and matching offence can be defined by the executive. These changes have an immediate influence upon the offence provision section 49. Accordingly, the proposed amendment in Schedule 2, Part 2, item 10 is not without difficulties. In particular, should the broad view be followed, the proposed amendments could:

- remove parliamentary scrutiny with respect to the scope of the obligation and, as result, of the offence, and
- erode the rule of law because they have the potential to deprive the obligation and matching offence.

Parliament may want to consider whether the proposed law should be amended to put beyond doubt that the expansion of the regulation-making power does not include the determination of prescribed events; but is limited to the prescription of the notification process.

I want to make clear that this final paragraph of the *Bills Digest* has formed the basis for the amendment I will move during the consideration in detail stage of the bill. It is for these reasons in particular, and because of the competing and valid legal interpretations of the consequences of the bill, that I really urge the government to consider the very serious grounds that I have for proposing the amendment.

We do remain of the view that continued oversight of legislative instruments which can effect changes in access and eligibility criteria is a crucial function of the parliament, and should not be watered down under cover of a so-called technical amendment. I also noted with interest that the department of education informed the Senate committee that they were prepared to recommend to the minister that the following be included:

An express statement that, to remove doubt, the power in proposed subsection 48(2) is not intended to permit the determination of prescribed events in extrinsic materials, and that prescribed events may only be determined expressly in the Regulations.

The former minister for education did issue a replacement explanatory memorandum to the bill. Unfortunately, what that said is ‘trust us’. It said:

... the power proposed in subsection 48(2) is not intended to permit the creation, determination or variation of prescribed events by extrinsic materials ...

If that is the government’s intention, I would say to the new minister that it should accept the opposition’s amendment to remove all doubt because, I am afraid to say, the parliament and the Australian people have learned time and time again that this government is not to be trusted. So if the department’s advice is right and if the previous minister’s intentions are as set out in the change to the explanatory memorandum, I hope we will have the new minister actually accepting
Labor’s amendment. Of course, at this stage of the debate we do not know whether we are going to get this change from the new minister, but I hope she will seriously consider the issue that I have set out today because it is an important matter.

Taken as whole, unfortunately the bill will enshrine a much diminished set of options for student income support. It is important that we recognise that this is against the backdrop of this government’s record of complete policy failure in this area. We have not had any attempt by this government to improve financial support for students. As I have said, the other provisions of this bill attack the role of the parliament as a watchdog, and for that reason as well we find the nature of the current bill unacceptable. So we would certainly not be able to accept the bill in its current form. I look to the new minister to look at Labor’s amendment and make sure that we can protect the oversight role of the parliament in the way that we are setting out that it could be done.

Mr BRUCE SCOTT (Maranoa) (11.54 am)—I rise this morning to speak on the Student Assistance Legislation Amendment Bill 2005. This bill was originally introduced in 1993 to establish a loans scheme that students could take up voluntarily. Eligible students would be able to take up a loan by trading the income support that they would otherwise have been receiving. For every $1 they traded they would be able to receive a $2 loan. Over the life of this scheme some $2.48 billion has been lent to students.

It is important to look at this policy and at the time when it was introduced to reflect on the potential for the scheme to survive and whether it was good policy or policy that was really failing taxpayers and the students themselves. It was introduced at a time of very high unemployment, particularly high youth unemployment, in this country. It was at a time of very high interest rates in Australia. You, Mr Deputy Speaker McMullan, without reflecting on you personally, would recall that at that time under the Labor administration official interest rates hit something like 17 per cent and that many people in business, particularly small business, and farmers were paying up to 25 per cent for their money. The official unemployment rate at that time was something like 11 per cent and there were some one million people on dole queues around Australia. I think that in many ways the scheme was introduced to address an unemployment situation rather than the real needs of students. In other words, the administration of the time, the Labor government, was trying to hide unemployment by offering loans through students voluntarily trading their income support; they could trade every $1 they were receiving in income support for a $2 loan.

The result is that the government has ceased this policy, a decision certainly reflected in the take-up of the scheme over time, because at the end of the day, no matter how you look at this policy, it does not remain today good policy for students or taxpayers’ dollars. As I understand it, if you look at the government actuary’s figures on the level of debt of those students that still remains, some 84 per cent of something like $2.48 billion in original loans would perhaps have to be written off or dealt with in some way as a bad debt. Advice that the government has received shows that, as of 30 June last year, some $1.36 billion is unlikely to ever be repaid. It would not be responsible for the government to continue this program that would allow students to amass and accumulate debt that they have no capacity to repay in the future. That is why the scheme should be and has been suspended.

I want to touch on another element of the bill—and the opposition spokeswoman on education, the Deputy Leader of the Opposi-
tion, spoke of this—to do with some of the minor technical amendments to the Student Assistance Act 1973 that refer to the regulations that apply to non-statutory Abstudy and the Assistance for Isolated Children Scheme. The Assistance for Isolated Children Scheme has been an outstanding success. The basis and very policy of it, which has been supported by both sides of parliament since about the early 1970s, was to provide support for those students who can qualify under the scheme as being geographically isolated without the need for an income or assets test. That income support gives those students an opportunity to access education. That is the whole principle behind the assistance for geographically isolated children. It is support for those children to gain access to education at the primary and secondary level. After the 2004 election, increases in the allowances under the scheme were provided by this government, delivering on an election commitment.

It was the now Minister for Defence but at the time Minister for Education, Science and Training, Dr Nelson, who saw the need to ensure that we were providing that much needed assistance to young students who are geographically isolated in supporting them to gain access to education. I want to thank him for having listened so well. I represent a large part of Queensland and many people in my electorate—not just people on the land but also people who work for councils, live in small communities and working-class people—have to send their children away from the place where they reside just to gain access to basic primary and secondary level education. I know the increases that we made post the 2004 election have helped many more families financially support their children as they go away, as they have to, to gain basic access to education. I know that Minister Julie Bishop, who has been to my electorate as the Minister for Ageing and is now the minister responsible for education, understands this issue, and I am sure that she too will be a good listener on issues relating to those students who live in geographically isolated parts of Australia.

The Isolated Children’s Parents Association is a wonderful organisation that advocates on behalf of all those people who have children in a situation where they are growing up in a community which is geographically isolated from access to education. They appreciated not only that support for the assistance for isolated children but also the distance education allowance that we made available at the time, and also the funding for school term hostels. Many school term hostels are where students from geographically isolated parts of Australia go to in a town reasonably close to where they live so that they can gain access to primary and secondary education. Of course, many of those hostels have small enrolments, obviously because they are in fairly isolated parts of Australia, and the problem they have come across is the issue of viability—of being able to run the hostels in a sustainable way, given the need to make sure that the students are well looked after while they live away from home and that the facilities they are in are modern and have home tutors who live in and provide meals and support in both an educational sense and an emotional sense when those children leave home, often for the very first time.

Those areas that we increased funding for and recognised after the 2004 election are a direct result of the minister at the time, Minister Nelson, listening to the concerns of the Isolated Children’s Parents Association and people like me and others who represent large rural communities where so many people, particularly students in this case, are geographically isolated from very basic access to education and have to leave home just to gain that access to education—in
other words, being able to go through the front gate into a school. Those are the very criteria that govern the very successful Assistance for Isolated Children Scheme, and the same applies to Abstudy for those children of an Indigenous background.

Whilst I am talking about the Assistance for Isolated Children Scheme, which is referred to in the bill, I just want to put on the record that I know that the Isolated Children’s Parents Association are also advocating the need for a similar scheme that will support students in gaining basic access to post-secondary education. It is a very real issue for thousands upon thousands of families who are geographically isolated from TAFEs, colleges and universities and, more recently since the 2004 election, from access to technical colleges for training in technical skills. There are many students from rural and geographically isolated parts of Australia who just do not participate in tertiary or post-secondary education. What the Isolated Children’s Parents Association have been to see me and many members on both sides of the parliament about is establishing a scheme that is similar in principle to the Assistance for Isolated Children Scheme—the AIC allowance—which will pay a basic access allowance that will support those students from geographically isolated areas of Australia in gaining access to post-secondary education. I know the youth allowance is designed to address this issue in many cases, but the problem for many families, particularly in extreme drought areas and those communities, is that for students to be able to gain access to the youth allowance they have to be independent. In other words, they have to work for 18 months after leaving secondary education before they can gain access to that support.

When they come back to parliament during their many regular visits to the House to see members on both sides I know the Isolated Children’s and Parents Association will be promoting, as will I, the idea of how we are going to address participation rates from students who live in geographically isolated parts of Australia. It is a very real issue for me and for other members who represent rural and remote parts of Australia. There are far too many young people who do not participate in post-secondary education because of the financial burden that it places on families who have to support their children when they leave home if they are going on to post-secondary education. The issue is not only the accommodation and food and living away from home allowance but also the cost of travel for those students to get access in the first place. For instance, if you are living in the very western parts of my electorate, the nearest town with a university is something like 1,800 kilometres away. For students to travel that distance, either their parents have got to drive them or they take a flight that services those communities twice a week. Families have to put the money up to that commercial operator at the beginning of the year to ensure that they have a seat on that plane so their children can leave home, go away and gain access to education. Many of these families are working people in those towns. Some of them are part of essential services: police, teachers, bank managers and so on. Of course, that is another reason we have problems attracting people into those rural communities: those families cannot afford the financial burden that will be placed on their family if they take up an essential job in their communities because they have to send their children away to gain access to affordable education.

It is a very real issue for me, as a member representing a very large rural community—there are other members of this parliament who will understand that—and I will be taking this issue up with the minister. I would hope members on the other side of the House
would take a very serious look at this issue, because the participation rate in post-secondary education for students from rural and remote parts of Australia where they are geographically isolated and separated from affordable access to that education is a very real issue.

I support the bill before the parliament. I wanted to raise those issues in relation to assistance for isolated children and those students who are seeking support for post-secondary education. I know that we as a government will be looking at what more we can do. I commend the issue to the other side of the House, because it is terribly important when we talk about education and access to it that we canvass support from both sides of the House to address those who are disadvantaged by geography. It is incumbent on all of us to ensure that all Australian people have access to affordable education. I commend the bill to the House.

Dr Emerson (Rankin) (12.11 pm)—The Student Assistance Legislation Amendment Bill 2005 closes down a student financial supplement scheme that was introduced many years ago. It does so formally through legislation, even though the scheme has been closed administratively by this government. On top of that, it makes the repayment schedule for those students or former students who had access to the scheme much more onerous. You have to wonder about the motivation of a government that allows a situation to occur whereby young people take out loans in good faith and then the government retrospectively makes that repayment schedule much tougher than the students had legitimately anticipated at the time when they took those loans out. Such is the style of this government that it has not hesitated to do that. Labor opposes such a nasty change to the legislation.

In addition, this legislation removes any requirement to reflect in regulations changes to the guidelines under the Abstudy and Assistance for Isolated Children schemes. This gives the government the capacity, on a whim, to reduce or in other ways to make tougher the arrangements for young people accessing assistance with living expenses while they go through university. I am quite sure that the motivation behind this is not to make it easier for those students, because this government has never made it easier for students seeking to get a good university education, other than of course those students who happen to be the sons and daughters of very wealthy Australians. They now enjoy privileges that were not available to them under previous Labor governments. They can buy their way into an Australian university even though the marks they might get may be lower than the marks that sons and daughters of working Australians may get.

The Labor Party considers that to be a disgraceful situation. It is a sign of the times. The ongoing Americanisation of just about every institution in this country is occurring under this government. What a shocking situation here in the 21st century when education, including a university education, is so vital to the prospects of young people that a government could change the arrangements such that those who have the money can jump the queue and buy a place ahead of better performing students who do not have the money. That is a true blue Liberal philosophy. It was the philosophy of the Liberal Party before the election of the Whitlam government—that is, that access to higher education should be determined by your wealth, meaning that the privileged had access and the underprivileged suffered.

The government has turned the clock back and, in fact, has made the situation worse for young people who do not have the financial
resources. By removing a requirement to make changes to Abstudy through regulation as a disallowable instrument, this government is signalling that it is going to whack young people yet again.

Fundamentally, the government does not believe in a university education for working-class people and we have had ample statements from the government to that effect. Indeed, the former Minister for Education, Science and Training was very fond of labelling Labor members of parliament who believed in access to university education for the sons and daughters of working Australians as snobs.

Apparently, in the philosophy of the Liberal Party, you have a legitimate aspiration to go to university if you are from a family that is privileged but you do not have a legitimate aspiration to go to university if you are from a family that is not privileged. Those children, according to this government, really should go and get a trade. I see the Parliamentary Secretary to the Minister for the Environment and Heritage nodding to that proposition. It is indeed the Liberal philosophy. What a shocking situation we have here. The government has made a university education more costly for young people, and I again refer to those who are not from privileged backgrounds. It is quite happy to lock young people with talent who have worked hard out of a university education so that only the privileged may have access to it.

Some of the evidence that I will present here today confirms this to be so. For example, last year, for only the second time in 50 years, the number of Australian students going to universities fell. The early indications from enrolments in 2006 are that they may well fall again. Here we are in 21st century Australia where an education is the key to unlocking two doors, to prosperity and to a fairer Australia, and this government is presiding over a situation where there was actually a decline in entry into universities last year for only the second time in 50 years and in all probability again this year.

I also point to the fact that, since the change of government 10 long years ago, all of the enrolment growth in Australian universities has been by full fee paying foreign students. There has been no growth in enrolments by Australian students—no growth at all. It is almost beyond belief that a government could preside over such a situation where in the 21st century a university education is so important to a nation’s future, let alone the future of the students themselves. Deutsche Bank has released a report ranking Australia at the bottom in expected growth in university education. That Deutsche Bank report clearly shows, on the basis of its research, that access to university education is a very strong determinant of a nation’s prosperity and of its productivity growth. Yet this government has no commitment to Australian universities and certainly no commitment to a university education for those who do not have ample financial resources.

Here we are debating time after time the reasons for the slump in Australian productivity growth, which from the beginning of 2004 not only slowed down but actually turned negative and has been stuck in reverse gear ever since. For well over 1½ years this government has presided over negative productivity growth. Productivity growth as a result of reforms, including reforms to the university system of Australia implemented by the previous Labor government, was around 2.05 per cent per annum for the best part of 10 years. This was record-breaking productivity growth surpassing all countries of the Western world except Finland but including the United States. So we had a record-breaking decade of productivity growth, but the Productivity Commission, in examining the sources of that productivity growth,
found Australia to be in almost the unique situation that the accumulation of skills, which had accelerated through the 1980s, slowed down in the 1990s following the election of this government. The accumulation of skills in fact detracted from productivity growth because of this government’s very low level of commitment to investing in skills and investing in higher education.

We also have the incredible record of being one of only two OECD countries where increases in private investment in university education have not been complemented by increases in public investment in university education as a share of gross domestic product but in fact have substituted for it. So, as other countries are investing in their universities, including both public and private investment, in Australia this government has presided over a situation where there is more private funding going into universities but which has not been matched at all by public funding but, instead, has substituted for it. That private funding overwhelmingly is coming from the students themselves, and it is the calculation that they are now making that has led to the situation of declining university enrolments by Australian students. When they have a look at their prospective HECS debts and when they consider their living expenses and prospective returns from a university education, prospective students are making the calculation that it is just not worth it.

Abstudy is a very important part of the calculation that Indigenous students make when deciding whether they will go on to university. With this legislation we have the situation where the government, prospectively, is going to make it a lot tougher for those students. Labor is very proud of its record in providing financial assistance for people to go to university. This government seems equally proud of its record of denying financial assistance to students wishing to go to university.

I will go now to one of the most bizarre turns of events that occurred in 2004. The then education minister, who was absolutely besotted with and determined to spend all his time on voluntary student unionism, had realised, upon the introduction of FEE-HELP, which is a loan scheme for full-fee paying Australian students, that there was a fundamental flaw in that loan scheme. That flaw is that it is capped at $50,000. As a result of increases in university fees for full-fee paying students, many courses cost, over the term of the degree, more than $50,000. It does not take a genius to work out that those students who do not have independent financial resources—that is, who are not inde-
pendently wealthy—could not afford a full-fee paying place when that cap was set at $50,000.

Jon Faine, on radio station 3LO in Melbourne, interviewed the then education minister about that. The education minister agreed that this $50,000 cap was highly inequitable, it was highly regressive and it would prevent a significant number of young people who were not independently wealthy from going on to university. He seemed quite confident that he would be able to get the cabinet to remove that cap. But, as on so many other things, the minister failed and that cap is still in place. He is one of the greatest, most vocal critics of that $50,000 cap, and yet it is still in place—so ineffective was the education minister in his own portfolio.

Professor Bruce Chapman had a look at the impact of these arrangements and concluded that they were highly regressive, highly unfair. He pointed out what most people know: the benefits of university education flow to the broader community. In the 21st century, when higher education is such an important determinant of productivity growth and future prosperity, of course there is a strong case for public investment in universities. This is a point that is well and truly acknowledged by the architect of the HECS arrangements. It is understood by the government but rejected by the government, because it considers that most of the money going into the university system must come from full fees or from HECS charges, which have been increased by up to 25 per cent.

The philosophical divide between the coalition and the Australian Labor Party is evident in issue after issue after issue, but no more clearly evident than in regard to access to Australia’s universities by the sons and daughters of working people. The government considers that they should not have a legitimate aspiration to a university education. Labor considers that, fundamentally, in a decent and productive society, those students who work hard and who have talent but who nevertheless do not have high wealth should have such access to a university education.

This legislation again highlights the arrogance of the Howard government after 10 long years in proposing the removal of any requirement to vary the terms of Abstudy and the Assistance for Isolated Children Scheme be the subject of a regulation, which is a disallowable instrument. The government wants to make those changes itself, at its whim, and make life harder for recipients of Abstudy and the Assistance for Isolated Children Scheme. Such is the arrogance of this government after 10 long years. It is certainly time for the Australian people to have a fresh look at this government and make the judgment, which all people will make in 2007, that this government is arrogant, that this government has been in power for too long, that this government has run out of puff and that there is a very desperate need for a change of government—which will occur in 2007.

Mr SNOWDON (Lingiari) (12.28 pm)—Firstly, let me thank the member for Rankin for his contribution on the Student Assistance Legislation Amendment Bill 2005. I sat earlier this morning and listened to the member for Jagajaga, the shadow spokesperson, give her speech in this second reading debate. I was attracted to many aspects of that, and I will come to those in a moment. I also heard the member for Maranoa make his contribution. I must say that, oddly, there were some aspects of his contribution that I was quite supportive of, but I hope he reads his contribution and reflects upon it, in terms of not only this legislation but his government’s own position on education, particularly for those people who live in geographically iso-
lated communities and other communities in rural and remote Australia where educational access is an issue.

I note that, in his contribution, the member for Maranoa referred to the need to provide access to affordable education for students, regardless of where they live. I am personally very attracted to that proposition. My electorate, the seat of Lingiari, covers all of the Northern Territory, except Darwin and its immediate environment around Palmerston. It covers 1.34 million square kilometres. It has a very widely dispersed population, and the issue of education is high on the agenda of the community.

Whether people live in small Indigenous communities spread, as they are, widely across the electorate, whether they live on Christmas Island, which is part of the electorate, or the Cocos (Keeling) Islands, whether they live in a small town like Borroloola, Tennant Creek or Alice Springs, or whether they live on a pastoral lease in the Northern Territory, education is high on the list of concerns that people have.

As the member for Rankin pointed out, as a result of the government’s attitude to, and its policies on, higher education, we have seen a drop-off in student numbers as reflected in the enrolments for last year. The affordability of education is of grave concern, particularly for those of us who live away from metropolitan centres—and even there it is cause for grave concern as well.

We heard the member for Jagajaga, in her contribution, talk about a report from the Melbourne University Centre for the Study of Higher Education, which was released in June last year. The report demonstrated that students from rural backgrounds are twice as likely as their urban counterparts to defer studies at university. The research was titled—and I am quoting from the shadow minister’s speech—*The first year experience in Australian universities: findings from a decade of national studies.* The research score—and had applied to go to Melbourne university. When that person did not get a first round offer for the course, they received a second round offer. When their parent rang the university, they discovered that the second round offer required full fees to be paid. The second round offer was conditional on the student paying full fees. I understand that this is not an isolated occurrence. It has happened at more than one university, but this instance was a major cause of concern to that parent and no doubt to the student.

This indicates that students with a very high tertiary entrance ranking, as in this case, are unable to get their first course option. They are offered a second option at the same university, provided they pay full fees. That is unfair, it is unreasonable and it is un-Australian, but it is happening today in the contemporary environment and it has been brought upon us by the way in which the government has developed and implemented policies on higher education. This young person lived in a capital city. How much more difficult is it for people who live away from home, away from their communities, because they have to travel to a higher education institution? How much more difficult is it if they need the assistance of their parents, not only to provide them with accommodation but also to address the cost of their HECS? You do not have to be Einstein to work it out.

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found that one in five students from rural areas deferred university compared to around one in 10 students in capital cities. On page 70 of the report—and again I am referring to the shadow minister’s contribution—it says:

The reason for this difference is ... likely to be the greater need for rural students to accumulate savings to meet their additional costs of attending university ...

That is absolutely correct. I live in Alice Springs and I know for a fact that there are a number of students leaving Alice Springs on this very day to go to university—students who finished high school, not last year but the year before, and who worked all of last year to save money so that they could afford to go to university. It is not an insignificant cost. As this research has indicated, it is now almost a practice for people in the bush who come from isolated communities or rural and remote areas to defer their university studies because they know that, in the first instance, they cannot afford the cost. How much more difficult is it for them if they miss out on their first round offer, get offered a place on a second round and are told they have to pay full fees?

What does that do to their capacity to attend university? What does it do to their horizons in terms of where they might see themselves next year and the year after, or in 10 years, 15 years or 30 years time? How much more limiting must it be for them if they know that, to get access to a course in medicine, they will be paying hundreds of thousands of dollars in fees—fees they cannot afford? The answer is very simple: unless they get a scholarship, they do not go. And that is a direct result of the policies which have been implemented by this government.

The member for Maranoa spoke about the aspirations of young people who live in the bush to have an opportunity to get a higher education, yet he is part of a government that by their very policies have undermined the capacity of young people in the bush, in remote communities and in rural areas across Australia, to get a higher education. They have done it. In my case, there is a university in Darwin—Charles Darwin University—which has a small campus in Alice Springs. Batchelor college provides higher education courses and post-school TAFE courses for Indigenous students across the Northern Territory, but it is located at Batchelor out of Darwin. That is it. Charles Darwin University is severely underresourced because of cuts made to its budget over successive years by this government.

It is little wonder then that most of the students—I would say as many as 90 per cent; it may even be more—who aspire to go to university who live in Alice Springs leave Alice Springs. They do not attend the Charles Darwin University campus because of the limited number of courses that can be provided. They go elsewhere: Adelaide, Melbourne, Brisbane or Sydney—you name it. You will find students from Alice Springs there because they do not have access to the range of courses in their home community that they would otherwise have if they lived in one of these major metropolitan centres. I can understand that, in part, because clearly a small town like Alice Springs will not have a campus the size of Melbourne university. But the bottom line is that those students, if they want to go to Melbourne university, are now confronted by these roadblocks, and the most significant of those roadblocks is the cost of going to university.

This government needs to address the problem. The member for Maranoa is in an important position to influence what the government does—and I wonder why other members of the National Party are not in here talking about this, but they are not. The very pathetic performance of the National Party in defending the rights of students from
isolated and remote parts of Australia is to be condemned. We know that they are a diminishing power in this place. Despite the artifice that they have put up about how important they are to the coalition, the fact is that they are a diminishing power. They are diminishing because they are not representing the communities that they are supposed to represent. They are not representing the interests of the people in the bush with regard to education. They have failed miserably in providing higher education and post-school education services to people who live in rural Australia. Yet we see the member for Maranoa supporting this piece of legislation, a piece of legislation which has the potential to cause great difficulty for students in the future.

I am mindful of the contribution made by the member for Jagajaga and her reference to the Bills Digest, in particular the commentary on schedule 2, part 2 of the Student Assistance Legislation Amendment Bill which will allow the Department of Education, Science and Training broader regulation making powers under the Student Assistance Act. The Bills Digest points out that these amendments ‘will limit the parliamentary scrutiny of important aspects of obligations set out in section 48 and the connected penalty provisions, and can create a certain vagueness of the law which may be impermissible from a constitutional perspective’.

Section 48 is a provision relating to the reporting requirements of people receiving student assistance. But it also restricts the operation of the Legislative Instruments Act 2003 and allows DEST greater regulating power. Departmental decisions and guidelines may well replace regulations made by the parliament. The explanatory memorandum explains that this will remove the need for DEST to:

… make new regulations under the Act whenever guidelines for the non-statutory ABSTUDY and Assistance for Isolated Children schemes are altered.

As we heard again in the member for Jagajaga’s contribution, the Abstudy and Assistance for Isolated Children schemes have supposedly been removed from the scope of the bill. One wonders what we are doing. What are we doing? Whether the Abstudy and Assistance for Isolated Children schemes are affected by this legislation in the end, I do not know, but I think it is a worrying reflection and a major concern that the government intends to remove parliamentary responsibility and oversight on the making of regulations arising out of this bill.

I have spoken before about these sorts of matters. But I read the Bills Digest with a great deal of interest and with a great deal of alarm. The commentary in the Bills Digest is worth reflecting upon. As the Bills Digest says, ‘proposed section 48(2) warrants further remarks’. It further states:

Section 48 of the SAA—that is, the Student Assistance Act—as it currently stands, creates an obligation to notify Centrelink when certain so-called ‘prescribed events’ occur. These prescribed events are currently set out in the Student Assistance Regulations 2003 (the Regulations) and include—and it lists a number of things. It also states:

… provides that a notification under this section must occur within 14 days in accordance with the procedure set out in these Regulations.

To ensure compliance, there is a matching offence provision. Under that provision, a person may be liable to imprisonment for 12 months, unless there is a reasonable excuse for contravention of section 48. The Bills Digest also states:

Under the current regime, the Regulations enliven the obligation … are subject to parliamentary scrutiny and disallowance procedures—
as they should be. It goes on:

Under the changes proposed in this legislation, the Regulations can make reference to other instruments and written documents. These may not be subject to parliamentary scrutiny, but rather—and the Bills Digest tells us—may be an emanation of the will of the Executive.

What does that tell us? It tells us that we might have changes made to the requirements and the obligations of students that will not come before this parliament. In the end, if they are not met, they may be punishable by up to 12 months imprisonment. I do not believe that is either fair or reasonable and we in this place should not contemplate it. Indeed, I think it is totally objectionable. We in this place ought to do all that we possibly can to ensure that the executive is not given this sort of power and that, in conjunction with the bureaucracy, it cannot come up with a new set of requirements that do not get the oversight of this parliament. It is already difficult enough for young people to get access and meet the requirements that they are required to meet under existing legislation.

I note, by the way, that I attended a Centrelink seminar on student assistance recently. I discovered, apart from a range of other things, that, if you are a young student wanting to claim youth allowance, the claim document is 36 pages long. I regard myself as someone with a reasonable amount of education—I have a degree, I have been a schoolteacher, I have been in parliament for a long time—and I found this difficult. I found it difficult because I cannot understand how it could come to pass that we are asking young people to fill out a form of 36 pages to get access to youth allowance. Imagine if you are from a family where literacy is an issue or where English is a second language and you get hold of a document like this which you are required to fill out to gain access to student assistance. Within this document it asks you—and this I found particularly interesting—to do and report on a number of things, including reporting whether or not persons of the opposite sex have stayed in the same premises as you for two nights or more and describing who those persons might be.

What are we on about here? This is a requirement in this form to attract youth allowance. Let me read it to you:

Do any people of the opposite sex regularly stay at your address?

Include:

- people who regularly stay at your address two or more nights per week.
- people who work away from home (e.g., sales, travelling, tourism, fishing, or mining industry, members of the armed forces, public servants).

I have to say I find it rather alarming that we should be invading the privacy of people in this way. I understand what it might be on about, but what a ridiculous proposition to put in a form of 36 pages for a young student trying to get youth allowance. Under this legislation, which will be changed today, other requirements could be put into documents like this which would go beyond the power of this parliament to scrutinise because they will not come here as regulations—they will be done by fiat by the executive and the bureaucracy. They could be requirements which, if not met, could be punishable by up to 12 months imprisonment.

What we should be doing here is ensuring that all Australians have access to affordable education. Instead we are seeing pieces of legislation such as this which in the end will limit opportunities for people, and we are seeing policies implemented by this government which are removing the opportunity for young people, wherever they might live, to
attend university and other institutions of higher education. What we need to do is provide more opportunities, not fewer. What we need to do is make university and higher education more accessible, not less. The only way to do that is for this government to review its policies and practices and provide greater resources to people who live in the bush in particular. I invite the member for Maranoa and other National Party members to call on the government, as I am, to provide more money for people in the bush for education.

Mr Bowen (Prospect) (12.48 pm)—The primary purpose of the Student Assistance Legislation Amendment Bill 2005 is to shut down a loans scheme for tertiary education students that the Howard government closed administratively in December 2003. Labor opposed the closing of this scheme administratively, and we will be opposing this bill—just as we opposed a similar bill which was introduced in this House in October 2003.

The Student Assistance Legislation Amendment Bill 2005 amends the Student Assistance Act 1973 and the Social Security Act 1991 to make it clear that a student cannot apply for assistance under the Student Financial Supplement Scheme under either act after the commencement of this bill. Those with outstanding loans from the now defunct scheme will only have them grandparented until 30 June this year. From this date the repayment thresholds and rates of repayment will be much more onerous than those under the previous scheme and those under which the loans were offered and accepted. The government is once again seeking legislative approval to dismantle this loans scheme, using its majority in both houses. This is an opportunity for some senators in the other place to show some of their new-found independence and stand up for students, particularly in regional areas, who are in need of financial assistance to stay viable as university students.

I was interested to hear the contribution from my colleague the member for Lingiari, talking about the particular needs of students in rural and regional areas. He is more qualified than I would be to comment on that. It is true that rural and regional students have two particular causes to be upset about this legislation. Rural and regional areas have two particularly big problems when it comes to tertiary education. Many regional areas still suffer from very high unemployment, and high youth unemployment in particular, and the availability of part-time work is not as rosy as the government would have us believe for university students. And of course many students from rural and regional areas move to capital cities to study, as the member for Lingiari quite rightly indicated, with all the associated costs of city accommodation and living.

As I say, this is a golden opportunity for Senator Joyce and Senator Nash to exercise some of their new-found independence and to stand up for students from rural and regional areas. Let them stand up for students who are being affected by the closure of this loans scheme and put the needs of rural and regional students—and not the needs of their coalition partners, the Liberals—first, as they say they will. The member for Lingiari
pointed out that it is an opportunity for members of the National Party—an opportunity not for the National Party in its entirety but for individual members of the National Party—to show some of their independence and to stand up for rural and regional students.

Of course, it is not only rural students who are badly affected by the abolition of this scheme. The government’s rationale for the abolition of this scheme is that it was introduced in 1993, when there was high youth unemployment. It says we have low youth unemployment now and it is no longer necessary. I have a newsflash for the government: there is not low youth unemployment throughout every single part of Australia. There are places where youth unemployment is still very high, and I happen to represent one of them. The unemployment rate in the Liverpool-Fairfield area, the statistical district which covers my electorate, is 7.3 per cent, but the teenage unemployment rate is 17.4 per cent. Yet this government says this scheme is now unnecessary because it is easy to get part-time work. Come to Prospect and see if it is always easy to get part-time work. Of course some students get part-time work—they work very hard for it—but it is not always easy to find part-time work which matches the needs of your tertiary studies.

Students in my electorate go to a range of universities. Some of them go the University of Western Sydney. Many others of them go the University of New South Wales, the University of Wollongong, Macquarie University or the University of Sydney. But there are particular travel needs. I know of students in my electorate who attend the University of Wollongong and drive two hours a day to get there because that is the only university which offers the courses they wanted to pursue. They need to balance that with part-time work, and many of them do, but it is very hard to find part-time work which matches the needs of your tertiary studies.

This scheme which the government is abolishing had some flexibility about it. This was not only about grants and it was not about giving students and easy ride; it was about providing them with some flexibility, giving them a chance to balance their tertiary studies with their part-time work and with their other commitments. After all, we are encouraging young people to undertake tertiary education. We are meant to be going down the highroad of high technology and higher education and encouraging young people to go to university, yet this government is abolishing this scheme which provides the flexibility for tertiary students. Under this scheme which the government is abolishing, students were able to receive income support and to trade in $1 of grants for $2 of loans, increasing their income by up to $3,500 a year. That may not seem a lot of money to us, but it is a lot of money to a struggling university student. $3,500 a year can make the difference between continuing studies and having to give them up. That is the reality.

As I say, this provided options in balancing study with employment. Students who were ineligible to gain access to income support and whose parents earned less than $64,500 a year were able to access a category 2 loan of up to $2,000 a year. The scheme did fill a vital need for students requiring additional income support and provided an extra option for students to suit their individual circumstances.

This bill not only closes down this scheme but also increases the repayment thresholds for people who already have loans under the existing scheme. For somebody on an income of around $44,000, for example, the rate of repayment will move from two per cent of their taxable income to 4½ per cent.
For somebody on $65,000, the rate of repayment will shift from four per cent of taxable income to 7.5 per cent. I simply make the point that these are not the conditions that were agreed upon when these loans were entered into. People entered into these loans with an agreed rate of repayment. The government are by legislative fiat now doing something which they could not do administratively. They could close down the scheme administratively, but they could not increase the rates of repayment administratively, and now they are doing that. For some people, that will be quite sustainable. Some people will not have problems with those increased repayment rates, but others will. These new thresholds are in line with the repayment thresholds of the government’s new loan scheme, the Higher Education Loan Program, otherwise known as the HELP scheme.

It is worth noting that the impact of the abolition of this scheme is not just that students have had to take on more part-time work or a second or third part-time job. I stress that the government might want us or the public to believe that this is about forcing students to take a part-time job so they pay their way through university. In many cases it is about forcing students to take on a second or a third part-time job to pay their way through university. They are already doing one job, already struggling with that, already working at McDonald’s or Pizza Hut or doing some tutoring at university. In some cases they are now being called upon to take a second or third job.

There is ample evidence to suggest that the impact of the government’s policy is that there have been people who wanted to study, wanted to increase their skill levels, but have been unable to because it has simply been financially unsustainable. When the abolition of this scheme was mooted in 2003 the Australian Vice-Chancellors Committee commissioned a report entitled Paying their way, which surveyed 35,000 university students and found that students were very positive about the scheme and that the scheme was necessary for many individuals to stay at university as well as supplementing their income from part-time work.

Another study also supports this, and this is not a study done by the Labor Party or done by the Vice-Chancellors Committee. This is a study commissioned by the Australian government, by the Department of Education, Science and Training. It is a study which the then minister sat on for some 12 months and refused to release. I could understand his reasons when I looked at the results. This report shows that a third of the respondents seriously considered ceasing their enrolment at university in order to earn more money, and a quarter of students indicated that they chose their classes to suit their work commitments rather than the other way around.

This bill is symptomatic of the government’s approach to higher education generally. Under the new FEE-HELP loan debt scheme, student debt will blow out to $3 billion by 2008-09, with up to 60,000 students incurring such a debt. These FEE-HELP debts are all about contributing to the payment of full fees, which might be as high as $210,000, as in the case of a medical degree at the University of Melbourne. I note that the existing legislation allows up to 200,000 students to access FEE-HELP places, with the government’s Senate majority allowing it to push these figures higher if it so desires. Of course, the national HECS debt has risen to over $13 billion. The government is cashing in from students and families to the tune of an additional $839 million over the next four years with the recent 25 per cent increase in HECS.
In 2003 the then Minister for Education, Science and Training—now the Minister for Defence—said this:

What that means in real terms is that the HECS charge for most courses in most universities will not change at all.

Of course, he could not have been more wrong. Never has student debt been as high and as large a burden for students as it is now. And never has it had the effect on living standards that it is having at the moment. Forcing students to take loans that are the equivalent of small mortgages is the reality that this government has forced upon people in the tertiary education sector. That is the reality. The government is forcing people to take mortgages to pay for their higher education.

Australia already has 60 university degrees which now cost more than $100,000. Let there be no misunderstanding: Labor introduced HECS and it is one of our proudest achievements. It is appropriate that people who benefit from tertiary education make a contribution to the cost. What is completely inappropriate is this government introducing punitive rates of repayment and punitive fees—including fees of up to and over $100,000 for over 60 university degrees around the country.

The accumulated national HECS debt in 2005-06 is a staggering $13.3 billion. The average graduate owes the government nearly $10,000. Departmental figures indicate that 91 per cent of students actually owe up to $20,000. Following the recent spate of across-the-board 25 per cent increases in HECS fees, students commencing university this year are paying up to $30,000 or more for their university degree compared to a decade ago. The Howard government’s HECS hikes mean that medical students will pay more than $30,000 extra over the course of their degree, law students will pay an extra $20,000, and engineering students will pay $16,000 extra.

It is little wonder that we have seen quite a remarkable phenomenon in the last few years: the number of people starting university in this country has actually fallen. In 2002, 251,845 Australians commenced a university degree; by 2004, that figure had dropped to 239,115. Between 1995 and 2000, Australia had the second lowest increase in the rate of enrolment in universities in the OECD. The good news is that we beat Turkey; we actually achieved more than Turkey. The bad news is that the rest of the world beat us.

This is this government’s contribution to higher education. It is a turkey of a policy, and this government should be ashamed. It should be ashamed because, to succeed as a nation, we need to be encouraging people to pursue higher education—whether it be through universities or TAFEs, whether it be traditional academic subjects or more trades based subjects. We need to be better trained as a nation. And this government’s contribution to our economic growth and to the betterment of our tertiary sector is to reduce the number of Australians who are able to start a university degree. We are, I believe, the only nation in the developed world that spends more on its private school sector than on its tertiary education sector. I say that not to highlight how much the government spends on private education, but to highlight how little it spends on tertiary education.

As I say, we have seen the introduction by this government of full fee paying for university degrees. Full-fee paying students at universities across Australia can get in with entrance scores that are up to 18 points lower than normal HECS students. The Howard government has done nothing to regulate entrance scores for full-fee paying students. The maximum five-point difference rule in
university entrance scores between HECS and full-fee paying students is an absolute joke.

Last year the then Minister for Education, Science and Training had some things to say about entry standards at universities. Dr Nelson, the then minister, warned university vice-chancellors to review their entry standards because some students, he said, ‘should not be at university’. He said, ‘It is obvious we still see in 2006 a significant number of people going into university who should not be. It goes without saying that the lower the tertiary entrance result, the less likely it is that the student is going to be academically equipped for the academic program.’ What a revelation from the minister! He and I are in the white heat of agreement on that. But where we do not agree is that it is quite clear that his policies have contributed to that problem. He was the one who introduced the policy that you can buy your way into university, despite the fact that you do not necessarily have the academic record to get into university.

Mr Albanese—The dumb but rich clause.

Mr Bowen—The dumb but rich clause, as my friend the honourable member for Grayndler says, very appropriately. Dr Nelson is the one who said that you can study as hard as you like, but if you miss out on a degree by a couple of points in your HSC or your matriculation studies in your home state, bad luck, but if you happen to come from a wealthy family and you can stump up $200,000, then in you go—it doesn’t matter what your HSC result was. That is a matter of some shame for this government.

So we have this government abolishing a student loans scheme, replacing it with a much less satisfactory scheme, increasing HECS debts and introducing full fees. We now have 60 university degrees across the country which you can purchase for $100,000, but this government is abolishing a scheme which enabled students to supplement their income with small loans of $3,500 a year, but loans which were significant in allowing people to continue their studies.

Labor will continue to oppose this legislation. I call on senators in the other place to oppose this legislation. I call on them to show some independence from their Liberal Party masters, to stand up for their constituents in rural and regional areas and make a difference for the benefit of young Australians doing their best to further their education.

Mr Brendan O’Connor (Gorton) (1.05 pm)—I would like to associate myself with the comments made by the member for Prospect, the shadow minister for education, and others on the side of the House, in opposing the Student Assistance Legislation Amendment Bill 2005. This bill is, of course, similar to the one that was before this place in October 2003, but this chamber and the Senate have, quite rightly, rejected the contents because, as the member for Prospect quite rightly said, this scheme has provided sufficient sums—not by any means great sums, but sufficient sums—to supplement whatever income students had in pursuing their education. There is no doubt that, by closing down this scheme, things will only get more difficult for students.

I do believe it is important that we look at the way in which this scheme and, indeed, what will follow it interacts with what has been happening to HECS, and what has been occurring in the education system—in particular, the way in which people can now purchase entry into university. It is certainly true—the dumb and rich proposition; like a good pasta sauce, thick and rich—that we have a situation where we are allowing people in based on the content of their bank account and not on their capacities as a person.
to pursue a particular discipline in a university. It is an awful thing. More than 90 per cent of the people in my electorate have an income of less than $50,000 per annum in gross terms. I would not expect one constituent of mine to be in a position to be buying $100,000 degrees up front. This measure compounds what is clearly an inequity in the system. It further disenfranchises very bright students from low socioeconomic backgrounds. We on the side of the House, as we did in 2003, oppose the closure of the scheme.

Like the member for Prospect, I thought that HECS when introduced was a balanced scheme. There was enormous disquiet among people in imposing a fee upon students who had hitherto not or at least for a significant period had not been required to pay fees. We are aware, of course, that many in this place—on this side and on the government side of the chamber—effectively managed to get a free education. Many ministers, including the Treasurer and the former minister for education, who was the architect of this original bill, received a free education when they went to university.

When Labor introduced HECS there was some effort to balance obligations and privileges for our students. If you look at the amount that was to be paid and look at the threshold of income that a student had to reach before that payment was triggered, you see we had the right balance. We had the right balance because the income that triggered the payments to HECS was one that was close to the average weekly income. In 1997-98 in the first Howard term we saw a dramatic reduction in the threshold income. It went from $27,000 per annum to $20,000 effectively overnight, forcing students into a position of paying back a debt on an income that was 25 per cent less than the income in the previous year, placing people close to the poverty line—indeed, below the poverty line.

It is true to say that the government has corrected that trend and did so recently, but for those many years since the 1997-98 financial year, the students of this nation were placed in a very difficult economic situation and found it increasingly difficult to maintain their studies and actually live a reasonable life on an acceptable income. We do not want to be creating disincentives for our talented young people to further their education. We do not want a system that is based on money rather than merit. We want an education system that expands and encourages our best and brightest to participate not only to further and improve their lot but that of this nation as a result of skills gained.

I do associate myself with the comments of earlier speakers from this side of the House on this bill. The government is wrong in looking to abolish the scheme. The Student Financial Supplement Scheme was a voluntary loan scheme which allowed students to borrow money to increase their income while studying. As I understand it, for every $2 of a loan, students gave up $1 in Centrelink payments. Repayment was voluntary until 31 May of the fifth year after the year the loan was received. Students got a bonus on repayments during this period. After the five years repayments were compulsory when taxable income reached the level of average weekly earnings, which in the 2000-01 financial year was $31,639, and were then paid through the taxation system. We thought that was reasonable.

Clearly it would be better if students did not have to take out significant loans. However, it is now increasingly likely because of the increased cost of HECS and just higher basic living expenses. This loans scheme was by no means perfect. It was not a panacea for all the problems that students may have had in pursuing their education, but it did provide modest support, it was a reasonable and fair system and it did ensure that students main-
tained their education and continued with their studies.

I am aware that the Senate inquired into this matter as late as last year. Their report and the recommendations therein were clearly not considered by this government. The Senate inquiry to which I refer released a report in June 2005 which said many things, including the following:

... the system—
this is talking about student income support as a whole—
operates with various disincentives, inconsistencies and anomalies which penalise the students who are in most need of financial assistance. Students from households with low to modest incomes, from regional and remote areas and Indigenous students are hardest hit by these systemic failings.

The report found that income support payments under Youth Allowance, Austudy and Abstudy are between 30 and 50 per cent below the poverty line, causing extreme financial hardship for increasing numbers of students and particularly Indigenous students. Clearly, the Senate committee thought that the combination of Youth Allowance, Austudy and Abstudy was not working, and therefore it made those comments.

There were many submissions made to the Senate inquiry. The submission made by the Australian Education Union quoted ACOSS figures. ACOSS compared the Henderson poverty line and social security payments for students, and their figures showed how student payments lie between 63 per cent and 82 per cent, well below the poverty line. So even now, for example, if the income provided by way of Youth Allowance or Austudy was the sole income of students—and I am not suggesting that would be the case in most circumstances—they would all be receiving an income below the poverty line. But as it is the case that the proportion of those payments is reducing, there is no doubt that, even with other forms of income, more students are finding themselves with an income below the poverty line.

Therefore, we are in a situation where students are going to opt out of education—regardless of their abilities, regardless of their capacity to further their education because of their academic excellence—based on economic considerations. Conversely, this government thinks we should be selling degrees, that we should put up shopfronts at universities and flog them off for $100,000. That is the reality. When the former minister for education turned up to universities, he should have just gone along with an ice-cream van and flogged off degrees like ice-creams for $100,000, regardless of whether those concerned had any capacity to pursue an academic career in a particular discipline. This is a government that clearly believes it is more important to be able to pay for a degree than to actually fulfil the requirements of a discipline at university. ‘Money not merit’ is pretty much the catchcry of this government: if you have money, you can get a degree.

Clearly, this loan scheme should not be closed. It was a modest but certainly a decent attempt to assist students in need. The Senate and the House of Representatives got it right in 2003, when they rejected a bill of similar substance. We on this side believe the legislation should not be pursued further. In reading some of the submissions made to the Senate inquiry, it is clear that students are doing it tough. For the life of me, I cannot understand why this government has such an enmity towards students. I cannot understand its pursuit of attacking students, knowing that in an economic sense it is a very vulnerable time for many of them. This is just another example of an insensitive, out-of-touch government not concerning itself with people who are doing it tough.
It will be the case that many students will survive this and go on to be qualified in their preferred area of expertise, but it will also be the case that, as a result of the combination of decisions made by this government in the area of education, many talented students will be knocked out of the system and we as a nation will be worse off as a result. Their personal ambitions will be thwarted and we as a nation will be worse off because, instead of encouraging people with talent, enthusiasm and academic excellence, we are saying to those who have difficulty in paying, ‘Too bad,’ and to those people who cannot qualify but who have the money, we are saying, ‘You’re welcome in.’

We do not want to see an education system in this country that favours people with money over people with merit. If that is what this government is about in the area of education then it has it entirely wrong. I think the people of Australia know that, I think the mums and dads who are trying to get their kids into post-secondary education know that, and I certainly know that the students of this country know that. That is why Labor opposed similar legislation in 2003, that is why we oppose this bill, and we certainly hope that the Senate does the same.

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (1.20 pm)—At the outset, I thank members for their contribution to the debate on the Student Assistance Legislation Amendment Bill 2005 today, particularly the member for Maranoa. I want to start by correcting some of the assertions made by the member for Jagajaga in her speech. She suggested that, while the Howard government had closed the student financial supplementary scheme in December 2003, it had failed to provide any other sort of student income in its place. That is just not correct. The member for Jagajaga has again failed to acknowledge the government commitment of more than $400 million over five years to provide more than 43,000 scholarships for university students.

This year alone more than 22,000 students from low socioeconomic backgrounds are set to benefit from the 2006 Commonwealth learning scholarships. This year’s $68 million worth of scholarships will provide new and continuing students with support for their tertiary studies. I will break that down. There will be 5,047 new students with a $2,080 education cost scholarship, 3,531 new students with a $4,161 accommodation scholarship, 7,529 continuing students with a $2,080 education cost scholarship and 6,518 continuing students with a $4,161 accommodation scholarship.

The member for Jagajaga suggested that students were forced into work to cover their upfront fees at university, including rent and transport. I remind the honourable member that, from 1 July 2006, university students will no longer be forced to pay upfront up to $590 in student union fees. This will put $170 million back into the pockets of students to determine what services, if any, they are willing to support. Finally, I remind the honourable member that, in the financial year 2004-05, the Howard government provided more than $2 billion in income support for full-time students.

In turning to the bill, I remind the House that the purpose of this bill is to amend both the Student Assistance Act 1973, part 4A, financial supplement for tertiary students, and the Social Security Act 1991 to ensure that these acts reflect the reality that the Student Financial Supplement Scheme was closed in December 2003. Under the old Student Financial Supplement Scheme—the SFSS—the Commonwealth Bank of Australia administered SFSS loans on behalf of the Australian government. Eligible students
applied to the CBA for a loan of up to $7,000 per annum. This scheme was closed administratively on 31 December 2003 and no new loans have been issued since then. However, the Student Assistance Act 1973 and the Social Security Act 1991 do not reflect this reality, so the bill will remove the provisions pertaining to the scheme from both those acts. The bill will also amend both acts to provide for the alignment of the SFSS repayment thresholds and indexation with the Higher Education Loan Program under the Higher Education Support Act 2003. The bill will also apply the definition of ‘taxable income’ used under the HELP arrangements to the SFSS. The same repayment thresholds as apply to HELP will also apply and, for the financial year 2005-06, the repayment threshold is $36,184.

SFSS loan recipients earning below the minimum threshold will continue to be exempt from a compulsory repayment through the taxation system. Alignment of the two thresholds will simplify PAYG tax rates, which will reduce complexity for business, especially small business. While these changes will result in an increase in the thresholds at which the SFSS becomes repayable, that increase will be relatively small, will not have a major impact on graduates and will make payment administratively simpler for them. The bill will amend the Student Assistance Act 1973 to insert an express provision permitting the incorporation of an instrument ‘as in force or existing from time to time’ for the purposes of section 14 of the Legislative Instruments Act 2003. This will eliminate the need to make new regulations under the act whenever the publication—A guide to Australian government payments—is altered. As indicated in the replacement explanatory memorandum for the bill, the power proposed in subsection 48(2) is not intended to permit the creation, determination or variation of prescribed events by documents other than regulations. In other words, prescribed events may and will only be determined expressly in the regulations. The bill also makes minor consequential amendments to the Taxation Administration Act 1953. I present the replacement explanatory memorandum and I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms MACKLIN (Jagajaga) (1.27 pm)—I move opposition amendment (1) as circulated in my name:

(1) Schedule 2, item 10, proposed subsection 48 (2), page 14 (line 15),
   omit “notifying” substitute
   “procedures to be observed by a person who is notifying the Department”.

I want to pursue with the Minister for Education, Science and Training the question about the regulations. The amendment I am moving fulfils the commitment made by the Department of Education, Science and Training that a clarification statement would be made to explicitly state that prescribed events may only be determined expressly in the regulations. Of course, we are aware of the inclusion of the statement in the explanatory memorandum, so I recognise that both the department and the minister are acknowledging the validity of the concerns that we have raised about what I hope have been unintended consequences of the bill. These are concerns which, as the minister knows, have been raised in the inquiry by the Senate committee and by my own office in discussions with the department and with the former minister’s office. I am aware that such a
statement in the amended explanatory memorandum would be considered relevant extrinsic material by any court considering this matter, but I would like to have an explanation from the minister as to why she believes it is preferable for the statement not to be in the bill, as my amendment is obviously seeking to do, and why it is that she has decided only to proceed as far as putting it in the explanatory memorandum rather than having a clear and explicit intention in the bill.

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (1.29 pm)—The government will not be accepting the amendment proposed by the member for Jagajaga. The opposition’s amendment to schedule 2, item 10 would fail to release the burdensome requirement on the department to update the regulations every time a new version of an instrument or other writing, as referred to in proposed new subsection 48(2), was made. This would have no impact on parliamentary scrutiny.

I will try to make this as simple as possible by providing an example. At the moment the only document referred to in the current student assistance regulations is the guide to Australian government payments, as in force at September 2004—a guide put out by Centrelink quarterly. At the moment the regulations do not in fact point to the current operative guide. The current operative guide is dated from 1 January 2006 to 19 March 2006. The fact that the regulations refer to an out-of-date guide does not have any effect on the application of the current version of the guide, but Labor’s amendment would still require the department to amend the regulations each time the version changed. As you can see, this does not always happen promptly. The result is that the regulations can provide misleading information to the public. The government’s proposed subsection 48(2) will mean that this should not occur in the future.

Ms MACKLIN (Jagajaga) (1.31 pm)—We will consider the minister’s response and consider our position when the bill goes into the Senate. But we obviously have concerns about the capacity of the parliament to review these issues. I will proceed for now but we will consider the position as the bill proceeds.

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (1.31 pm)—Perhaps I could add something. I noted that, in her speech in the main debate, the member for Jagajaga referred to the Bills Digest and an interpretation of proposed new section 48 that obligations which are the prescribed events have always been and will always be in the regulations and therefore will be subject to parliamentary scrutiny. The proper interpretation of proposed new section 48 is that prescribed events can only be in the regulations. I would reject any other interpretation, and I believe that that has been made clear in the replacement explanatory memorandum.

The DEPUTY SPEAKER (Hon. BK Bishop)—The question is that the amendment be agreed to.

Question negatived.

Bill agreed to.

Third Reading

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (1.33 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
MINISTERS OF STATE AMENDMENT BILL 2005

Second Reading

Debate resumed from 8 December 2005, on motion by Dr Stone:

That this bill be now read a second time.

Mr KELVIN THOMSON (Wills) (1.33 pm)—The Ministers of State Amendment Bill 2005 amends the Ministers of State Act 1952 to increase the limit on the sum appropriated from the Commonwealth consolidated fund in 2005-06 and beyond in respect of the salaries of ministers of state. The increase is necessary following a determination of the Remuneration Tribunal with effect from 1 July 2005 that increased the base salaries of all senators and members. The additional salaries of ministers of state are set as a percentage of the base salaries of senators and members, so when the base reference point increases for senators and members, so too do the salaries of ministers.

Labor supports the bill, in line with its position that issues to do with MPs and ministerial entitlements should be determined by a body independent of MPs themselves, that is to say, the Remuneration Tribunal. But I wish to move a second reading amendment as follows:

That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the bill a second reading, the House condemns the Government for allowing Ministerial standards and accountability to decline at the same time as Ministerial salaries are increasing”.

It is all very well for ministerial salaries to rise, but what is happening to ministerial standards? There has been no more striking example of the appalling standards of ministerial conduct and accountability than the government’s decision to go to war with Iraq and the AWB scandal which has emerged in its wake.

There can be no more serious decision a government can take than the decision to go to war. The decision to go to war in Iraq was even more serious as it was made without the support, the authority or the mandate of the United Nations. We took it on ourselves to join the coalition of the willing—to act like cowboys, to throw out the international rule of law, to send a message to everyone else in the world that we believe that might is right.

The Howard government told us that we had to do this, because Iraq was a threat to us—that we were in danger from Iraq, which possessed weapons of mass destruction. Never mind the fact that the United Nations inspectors had not found any such weapons, and were asking for more time to continue the search. The government told us that there was no time to waste—we had to act now.

Were there any weapons of mass destruction? No. In fact there were none at all. Not one! The governments of the United States and Australia sent us to war based on a lie. You would think there would be repercussions. You would think there would be consequences. You would think there would be recriminations. You would think heads would roll. You would be wrong. No heads rolled. The Prime Minister and his ministers claimed they were acting on advice from their security chiefs, so they could not be held to account. This advice never materialised, and no security chiefs, if any of them really did provide this false advice, were ever brought to account. No-one was responsible for this debacle. Perhaps society was to blame. Responsibility just sat out there in the murky netherworld between departmental officials and ministers, as it so often does with this government.

The war in Iraq inexorably and inevitably turned into another Vietnam, weakening and undermining Australia’s moral authority in the war on terror and giving aid and comfort
to Osama bin Laden and fundamentalist terrorists. Foreign Minister Downer said that the war would be over in months, not years. Less than six weeks away, on 20 March, is the third anniversary of the invasion—with no end in sight and no exit strategy; an utter mess.

As the debacle unfolded, a second, largely retrospective, justification for the war emerged: the need to get rid of Saddam Hussein. I say ‘largely retrospective’ because, before the war, Prime Minister Howard expressly rejected the idea of regime change as a reason for going to war. But over the last three years there has been no shortage of rhetorical puffery from those opposite about the evils of the Saddam regime and the need to destroy it. And so it is that I have been absolutely astonished by the revelation from the Cole commission that the AWB deliberately sabotaged the United Nations oil for food program and paid $300 million in corrupt payments to Saddam Hussein’s government in Iraq.

I find the Howard government’s double standards on this matter absolutely breathtaking. On the one hand, the government told us the Saddam Hussein regime was so evil that we had to go to war to overthrow it, at the cost of at least 30,000 lives of Iraqi men, women and children. We were sucked into a debilitating war that has no end in sight. It is producing a whole new wave of recruits for Osama bin Laden’s cause, and those recruits are becoming highly skilled and trained in the black arts of bombing, kidnapping and murder. On the other hand, through the AWB, the Australian government were so anxious to do business with Saddam Hussein that we did everything we could to sneak our way around the United Nations sanctions and pay him $300 million. The foreign minister kept telling us that Saddam was so evil but, at the same time, we were his biggest benefactors. As the pieces of the jigsaw puzzle are being pieced together, it is increasingly evident that the AWB payments provided Saddam with the largest access to discretionary cash.

There are two very serious consequences from this. Firstly, money we gave the Iraqi government ended up as rewards and incentives for the families of Palestinian suicide bombers—blood money. Secondly, it is increasingly clear that it was these bribes that kept Saddam on his feet and enabled him to behave in a way that made the US administration determined to remove him. You have to wonder whether the war in Iraq might have been avoided altogether and regime change achieved without invasion had AWB kickbacks not been propping up Saddam.

But now the real story is coming out. The government is being dragged, kicking and screaming, to the truth. First, there was the cover-up by AWB itself. They claimed that they were the innocent victims of the deceit of Saddam Hussein. Even after the Volcker inquiry, AWB claimed: ‘The AWB was an unwitting participant in an elaborate scheme of deception,’ and ‘The AWB never acted in a manner suggesting complicity in a wrongful endeavour,’ and, ‘The AWB never acted secretively.’ However, the Cole commission has uncovered emails between AWB officers, which stated: ‘We need to find a way to implement the payments as Iraq’s account’s frozen,’ and, ‘Discretion is required here,’ and ‘We could probably bypass the account in Jordan and transfer directly to the special nominated account as long as the link was not apparent that the funds were going into Iraq.’

Blind Freddie could see what was going on here. AWB was trying to get around the UN sanctions, which said that no money was to go to Saddam. AWB was trying to deceive the UN. Certainly counsel assisting the Cole commission is in no doubt about these mat-
In his opening statement to the commission, Mr Cole made five points, notwithstanding AWB claims and denials: firstly, that AWB always knew that Alia was a conduit for the payment of money to Iraq; secondly, the fees, whether described as trucking fees, inland transportation fees or after-sales service fees, were always known to be fees payable to Iraq; thirdly, these matters were always known to AWB to be in breach of UN sanctions; fourthly, fees were paid to Alia directly or through third parties in the knowledge that they would be transmitted to Iraq; and, fifthly, these matters were known at a high level within the AWB.

This situation is absolutely unacceptable. We lecture other countries about standards of governance and corruption. We cannot tolerate such corruption in our own ranks. The head of AWB, Andrew Lindberg, has put himself in an absolutely untenable position. He told the Cole inquiry that he had done nothing after he learned that AWB employees had deceived the United Nations. He said, ‘There was no basis, I believe, to do anything.’ This is incredible. There was no advice to the federal government about a major diplomatic embarrassment—Australia bankrolling Saddam Hussein? No disciplinary action was taken against those responsible? Furthermore, Mr Lindberg conceded that evidence he gave last year to the United Nations inquiry into the oil for food scandal might have been wrong. Just when was he going to tell the United Nations?

The next day, AWB gave advice to the Australian Stock Exchange about its role in the oil for food scandal—advice which was immediately attacked by the Cole commission as misleading and was withdrawn before the day was out. Mr Lindberg was unable to be clear with the commission about whether or not he approved this advice. Has the Howard government done anything about this? No, it has done absolutely nothing. Mr Lindberg has also told the inquiry that he did not necessarily read every memo that was prepared for him and that he knew ‘very little’ about AWB’s dealings with Iraq, despite having visited the country just months before the US invasion to secure new wheat contracts. Such a performance from a managing director with regard to the biggest corruption scandal in Australian history is simply unacceptable. That the Howard government has not already given a message to Mr Lindberg to resign says volumes about its standards of accountability.

First we had AWB saying they were the innocent victims of the deceit of Saddam Hussein. This has been exposed for all the world to see. We had the Prime Minister saying, when the United Nations first implicated AWB in the oil for food scandal, that he had always found the people in AWB to be: ... a very straight up and down group of people, and I can’t on my knowledge and understanding of the people involved, imagine for a moment that they would have ... been involved in anything improper.

That was an extraordinary statement. On just what did he base it? Inevitably we will hear a different tune, and the foreign minister is now out there suggesting that his department were the innocent victims of the deceit of AWB. Just to make sure the government does not get caught by the Cole commission, the Prime Minister has rorted the terms of reference of the commission to expressly exclude it from making findings—

The DEPUTY SPEAKER (Hon. IR Causley)—The member for Wills will withdraw the word ‘rort’.

Mr KELVIN THOMSON—Mr Deputy Speaker, the Prime Minister has produced terms of reference for the commission to expressly exclude it from making findings about the government’s own conduct. Of course the government must be held ac-
accountable for the conduct of AWB. It was a publicly owned enterprise until 1999, when the Howard government sold it off. It continues to have a legal monopoly over wheat exports. No-one else is allowed to export wheat unless AWB agrees to it, which of course it does not. When the Minister for Trade says the single desk is not on trial here, he is talking rubbish. The potential for private sector monopolies to become corrupt is well known, and the conduct of AWB is of course relevant as to whether it should continue to have a legal monopoly over wheat exports.

But over and above that, important as it is, there are two distinct incidents where the government profited politically from AWB’s cover-up of the kickbacks. In each of these incidents the role of the government must be thoroughly explored, given they had a vested interest in the cover-up. First, in 2002, as Prime Minister Howard embraced George Bush’s decision to plan to invade Iraq, Saddam Hussein responded by threatening to cancel Australian wheat contracts with Iraq. Had those sales stopped, it would have been very embarrassing for the Prime Minister. Labor opposed the proposed invasion and so too did a majority of the Australian public. If Australian wheat farmers had lost this important market as a result of the Prime Minister’s actions, the pressure on the Howard government not to ignore the United Nations on this issue would have been massive.

AWB personnel went to Iraq in 2002 to save the day. We now know how they did it. They greatly increased the size of the kickbacks they were paying to Saddam. But the Australian people and the Labor opposition were kept in the dark about this. We were never told that there was a price to be paid for being able to have our cake and eat it too—that is, to attack Saddam mercilessly in public and still be his preferred salesman in private.

The DEPUTY SPEAKER—Member for Wills, this bill is about ministerial salaries. Your amendment talks about the accountability of ministers. Your speech is fairly well away from the bill. I would like you to tie it back to the responsibility of ministers.

Mr KELVIN THOMSON—Thank you, Mr Deputy Speaker. The whole point of my speech goes to the declining standards of ministerial accountability under this government, and the most classic example of that is precisely the matter I am speaking about—that is, the government’s handling of AWB and the United Nations oil for food program. I am speaking directly—

The DEPUTY SPEAKER—But where are the standards of ministers involved in that particular argument? That is what I want to hear.

Mr KELVIN THOMSON—Thank you, Mr Deputy Speaker. I am happy to speak to the conduct of ministers and the role that ministers have played, and that is indeed what I am doing. We have a situation where Australian farmers were threatened with a price to be paid for the consequences of this government’s foreign policy, and we ended up with the size of the kickbacks being paid to Saddam Hussein increasing. This was all covered up. This was not something which ministers found out or made any attempt to find out and to let the Australian people know—

Mr Forrest—Mr Deputy Speaker, I rise on a point of order. The point of order is on relevance. Mr Deputy Speaker, you have already made the point about the nature of the bill we are discussing now. The member currently speaking has made reference to a commission that is in place, an inquiry, and there is no proved connection—

The DEPUTY SPEAKER—Member for Mallee, I think I have the point of order. I
have already told the member for Wills that I wish him to speak to the bill before the House and to his amendment. If he cannot do that then I will have no alternative but to sit him down.

Mr KELVIN THOMSON—Thank you, Mr Deputy Speaker. I am certainly speaking to my amendment, which concerns ministerial standards. Some honourable members may not wish to hear about the conduct of their government in this matter, but this is a matter of great public interest and public importance and I intend to speak to it. The sorts of questions that the Australian public is entitled to answers to concerning the role of Howard government ministers in this matter are as follows. I believe that the terms of reference of the Cole commission need to be widened so that we can get some proper answers to our questions. First, did any of the ministers—that is, the foreign affairs minister, the trade minister, the agriculture minister or the Prime Minister—at any stage ever tell AWB not to pay bribes to Saddam Hussein in order to preserve Australia’s wheat sales? Then we have the Prime Minister’s statement of 31 January:

There were no alarm bells, there was no suggestion, there was no evidence before us that AWB was paying any bribes...

... the whole focus in 2002 was preserving Australia’s wheat sales—

Mr Johnson—Mr Deputy Speaker, I rise on a point of order. This is claptrap. It is completely irrelevant. We are not speaking on a bill on AWB.

The DEPUTY SPEAKER—The member for Wills is talking about the Prime Minister and ministers at the present time, and he has moved an amendment about ministerial standards.

Mr KELVIN THOMSON—Thank you, Mr Deputy Speaker. My query is: can the Prime Minister tell us what would constitute an alarm bell for him? We had the issue raised with us by the United Nations in 2002, after the Canadians raised it with them for the very good reason that the Iraqis had asked them to pay the same sorts of bribes they were getting from AWB. How was this not an alarm bell? Then in 2003 the American lobby group US Wheat Associates made a formal complaint to US Secretary of State Colin Powell. How was this not an alarm bell? Then there was the Washington state Senator Patty Murray’s 2003 statement urging the Bush administration to investigate the issue, stressing:

... U.S. taxpayers have a right to ask if Australia acted improperly in close cooperation with the former government of Saddam Hussein to manipulate wheat sales.

In what way was this not an alarm bell?

When the Prime Minister had his attention drawn to a letter from him to the AWB suggesting the AWB maintain close contact with his government, he denied that this suggested he would have known anything about the bribes. He said the letter just proved he was doing his job. Surely if we had ministerial standards in this country, doing his job would have meant knowing, would have meant finding out about the AWB bribes to Saddam Hussein and finding out about the breaching of UN sanctions.

There are many questions for Ministers Downer and Vaile to answer as well. Just who told Ambassador Thawley to tell the United States congressional committee chair, Senator Coleman, that there was no basis for investigating whether the AWB had paid kickbacks to Saddam Hussein’s regime in Iraq? Just what inquiries did they make before providing assurances to the United States, which have turned out to be utterly baseless and utterly misleading? And even earlier, in November 2003, a number of
United States senators wrote to the then Secretary of State, Colin Powell, expressing grave concern that the AWB had been paid inflated prices for wheat by the Iraqi regime. Did any of these ministers even know this had happened? If they did, what investigations did they undertake into the accuracy of the United States senators’ grave concerns?

We had Minister Vaile describe concerns expressed in the US Senate that Australia had:

- acted improperly in close co-operation with the former government of Saddam Hussein to manipulate wheat sales …
- as ‘quite insulting’. The question is: what inquiries did Minister Vaile make before making such a cavalier dismissal? When Senate minority leader Tom Daschle wrote to President George Bush in October 2003 asking him to raise allegations about the AWB paying kickbacks to Saddam Hussein’s regime with Prime Minister Howard, the Australian embassy wrote to Senator Daschle saying the allegations against the AWB were ‘reprehensible’. What the public needs to know is who approved that letter? Was it the foreign affairs minister? If it was the foreign affairs minister, what investigations did he make prior to making such a bold assertion?

There is the Minister for Agriculture, Fisheries and Forestry. We want Minister McGauran to tell us whether the AWB, prior to paying hundreds of millions of dollars to the Jordanian trucking company, Alia, ever bothered to find out whether this trucking company actually owned any trucks. We cannot have our reputation made an international laughing-stock while these ministers— the foreign minister, the trade minister, the agriculture minister—revel in their incompetence and make a virtue of their incompetence. ‘We never knew what was going on,’ they say, even though it was raining allegations. The US, the UN, Canada, the Iraqi provisional authority, the Wheat Export Authority—the stories were coming from everywhere.

I do not have a lot in the way of religious convictions, but some of these ministers are strong evidence for the theory of ‘reintarnation’—that is, that some of us after death come back to life as hillbillies. This has been a hillbilly performance from start to finish. The Prime Minister—the Kirribilli hillbilly—has long since thrown out his code of conduct and allowed ministerial standards and Australia’s reputation to sink lower and lower. Those photos of AWB officials posing with guns in Iraq speak volumes about a cowboy outfit with a frontier mentality and a contempt for the international rule of law.

The fact is that prime ministerial and ministerial standards of accountability have been steadily eroding in this country for the past decade, and it has got to stop. Does anyone seriously doubt that the strenuous lobbying efforts by the Australian embassy against the United States’ investigation into the AWB’s deals with the Saddam Hussein regime were motivated by a desire to avoid these issues coming to light prior to the 2004 election and, therefore, save the government from political embarrassment? Does anyone seriously doubt that the government turned a blind eye to the fact that in 2002 the Wheat Board was able to go to Iraq and secure continued wheat contracts from Australia, continued wheat sales into Iraq, at a time when the Prime Minister’s bellicose rhetoric had caused Saddam Hussein to threaten an end to those wheat contracts?

On what basis was the Wheat Board able to achieve this? It was able to achieve this by upping the kickbacks that were being paid. The Australian government turned a blind eye to that; it made no attempt to find that out, because it was happy for the wheat contracts to continue. It certainly did not want to
see Australian wheat farmers paying the price for this Prime Minister’s foreign policy.

It is time for the lies to stop. It is time for the cover-ups to stop. It is time to extend the Cole commission’s terms of reference to cover the conduct of government ministers and officials. And it is time for ministers who either do not understand ethics and integrity in trade and foreign policy or who are too incompetent to see that honesty prevails throughout their areas of portfolio responsibility to make way for ministers who can. This has been a scandalous and shameful affair, and the Howard government’s double standards on this matter have been absolutely breathtaking. It is quite clear as the pieces of the jigsaw puzzle get pieced together that AWB payments were the largest discretionary cash payments that Saddam had access to, and so we ended up sending money off to the Iraqi government, which ended up as rewards and incentives for the families of Palestinian suicide bombers.

Mr KELVIN THOMSON—I have moved as an amendment to this bill:

“whilst not declining to give the bill a second reading, the House condemns the Government for allowing Ministerial standards and accountability to decline at the same time as Ministerial salaries are increasing”.

It is all very well for ministerial salaries to rise, but what is happening to ministerial standards? They are on the decline. That is what I am pointing out to this House. And the biggest and most serious scandal before this House and before this country is the AWB oil for food scandal and the way in which this government while on the one hand was saying that the Saddam regime was an evil regime on the other hand was proping him up and was his biggest single benefactor to the tune of $300 million.

The SPEAKER—Order! It being 2.00 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.00 pm)—I inform the House that the Minister for Veterans’ Affairs will be absent from question time today. He is representing me at the state funeral of the Hon. Sir Reginald Swartz KBE, ED. The Minister for Defence will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Oil for Food Program

Mr BEAZLEY (2.00 pm)—My question is to the Deputy Prime Minister and Minister for Trade. I refer to his statement yesterday that there is ‘no evidence’ that any Australian money went to the families of Palestinian suicide bombers or was used in any other way to support military efforts in the region. How can the Deputy Prime Minister assert that there is no evidence when AWB’s payments to Alia were paid into an account held at the same bank used by the Iraqi regime to pay the families of Palestinian suicide bombers?

Mr VAILE—As we have continued to say in this place on this matter, there is a commission of inquiry that is conducting an investigation into this. It is part heard and it is going to the facts of all the matters that are raised. That is what is taking place and it should be allowed to run its course to find those conclusions.

Mental Health

Mr ENTSCH (2.01 pm)—My question is to the Prime Minister. Could the Prime Minister inform the House of what the Commonwealth will do to improve the services
for those many Australians who suffer from mental illness?

**Mr Howard—** I thank the member for Leichhardt for his question. The member for Leichhardt has been a persistent advocate of more being done by both the Commonwealth and the states in this area which is of such vital concern to the daily lives of millions of Australians.

The Mental Health Council report *Not for service* released last October noted the likelihood that every family in Australia will be affected by mental health problems at some stage. It made the point that it should no longer remain a marginal health issue. The report noted, incidentally, that in the last nine years the Commonwealth funding commitment to mental health had risen by 128 per cent. But, despite this, there remain many challenges and systemic weaknesses in the area, including the need to get the balance right between hospital care, community care and the best type of accommodation for people who cannot manage on their own.

In November, I wrote to all the premiers and chief ministers on the need for a more coordinated approach. We will be discussing this matter and our shared responsibility—at the meeting here in Canberra tomorrow. The states of Australia have a responsibility to devote more resources to mental health; so does the Commonwealth. I note in particular and I welcome the fact that the New South Wales Premier has indicated his commitment to make this a priority. I would be very surprised if the other premiers and the chief ministers did not adopt a similar attitude.

Three per cent of Australians have a severe mental illness such as schizophrenia, bipolar disorder or other psychotic disorders or suffer from severe depression. About 20 per cent of Australians suffer some form of mental illness over any 12-month period. This is a problem that, as a society, we have not handled well in the past. Until the 1960s we had a policy of treating mental illness through a process of institutionalisation. That changed largely under the impetus of the Richmond inquiry in New South Wales, and the change gathered pace through the 1980s and 1990s. There is abundant evidence that that process went too far. Whilst I do not advocate, and I do not believe Australia would benefit from, turning back the clock to the institutions of old, nor can we as a decent society tolerate having people with mental illnesses out in the community unsupported and untreated.

I also believe that we are paying a very heavy price in terms of mental illness from the abuse of illicit drugs such as marijuana over the years. The tolerant and absurdly compromised attitudes of many on the use of those drugs are now a classic case of the chicken coming home to roost. I think we are paying a dreadfully heavy price for the abuse of so-called recreational and socially acceptable drugs despite the clear evidence, unacceptable until a few years ago, that these things are doing massive damage within our community.

Greater focus on prevention and early detection must be part of a more comprehensive mental health strategy. We also need a better understanding of the medical workforce needed to support and treat people—for example, by looking at the role of psychologists and other health professionals. We need to look at supporting people with mental illness on a day-to-day basis—at home, through education, training and assistance into employment, as well as with the medical treatment that they need—and supporting their families and training others in the community who are in the front line dealing with the problems of mental illness.
I want to say on behalf of the Commonwealth that we will play our part. We will make an additional commitment of resources. We will do our bit, but we cannot do it alone. The states have ongoing important institutional responsibilities in this area. I want this matter dealt with on a bipartisan basis. I want all of the heads of government of this country to understand it is a serious issue and the Australian public will expect no less than a coordinated, genuine commitment by all of us to try and solve the problem.

Oil for Food Program

Mr BEAZLEY (2.07 pm)—My question is to the Deputy Prime Minister. I remind him that Commissioner Cole can find on how Saddam got his money, not on where he spent it. I refer again to his statement yesterday that there is no evidence that any Australian money went to the families of Palestinian suicide bombers or was used in any other way to support military efforts in the region. How can the Deputy Prime Minister assert that there is no evidence, when the Iraq survey group, led by the CIA, and including Australian personnel concluded:

During 1997 to 2003 Saddam generated enough revenue from sources including kickbacks from the UN Oil for Food Program to buy prohibited military goods and equipment.

Hasn’t the Deputy Prime Minister mislead the parliament?

Mr VAILE—No.

Employment

Mrs MAY (2.08 pm)—My question is addressed to the Treasurer. Would the Treasurer outline to the House the results of the January labour force survey. What are the prospects for employment growth in the future?

Mr COSTELLO—I thank the honourable member for McPherson for her question. The Australian Bureau of Statistics released its labour force survey for January today, which showed that employment increased by 1,800 persons in January and has increased now by 159,400 persons through the year. Interestingly, full-time employment rose by 30,500 persons but part-time employment fell by 28,700. Notwithstanding the rise in employment, the unemployment rate edged up marginally to 5.3 per cent in January. This is consistent with some of the surveys that we have seen such as the ANZ job ads survey and the ABS skill vacancies. The rate of job creation in the economy has been slowing in recent months compared to the very fast rises that we had through 2003 and 2004.

The point that I have also made in relation to this is that we cannot rely on the cycle to generate continued reductions in the unemployment rate. We are probably at a cyclical low in relation to unemployment after the strong growth that we have had through many years. If we want to make further inroads into unemployment in this country, now we must deal with structural barriers in the labour market and in particular the most important structural barrier in the labour market—that is, improvement of Australia’s labour relations system and industrial relations reform. These reforms will generate increased productivity, they will give more people opportunity, they will give flexibility to the work force and they will empower Australia to become a much more open and flexible economy. These are the reforms which the government has been battling over for years and years to get in place. The legislation has finally gone through the Senate.

That is not the end of this process. It is the beginning of this process. Those laws are yet to take effect and they are yet to be used by Australian businesses. We would certainly recommend that Australian businesses carefully consider them and carefully consider the way in which they can improve productivity and employment outcomes.
It is worth noting, as we come up to the 10th anniversary of this government in March 2006 that since the government was elected there have created in the Australian economy 1.7 million new jobs. That is, 1.7 million more people are in work today than when the Labor Party left office. It has been a strong decade, but there is more work to go.

**Oil for Food Program**

**Mr Rudd** (2.12 pm)—My question is to the Deputy Prime Minister and Minister for Trade. I refer to the Deputy Prime Minister’s additional statement to parliament last night that:

DFAT had no record of any DFAT-AWB meeting in that period in which the mid-1999 changes made to the contracts were discussed.

Did DFAT meet with AWB representatives at any time in the second half of 1999 to discuss wheat sales to Saddam Hussein’s regime?

**Mr Vaile**—I did add to an answer yesterday, and I came back with the information that was requested by the member for Griffith. I will check on this question with the records of DFAT and come back to him.

**Mr Rudd**—Today?

**Mr Vaile**—Yes.

**Exports**

**Mr Neville** (2.13 pm)—My question is addressed to the Deputy Prime Minister and Minister for Trade. Would the Deputy Prime Minister advise the House on the level of exports to Thailand and the US in 2005? Does the Deputy Prime Minister anticipate further growth in export markets in the years ahead?

**Mr Vaile**—I thank the member for Hinkler for his question. I know the member for Hinkler has a number of manufacturing industries in his area that are doing very well from exports—companies like Jabiru, AusChilli and Bundaberg Brewed Drinks. Bundaberg Brewed Drinks are selling brewed drinks to New Zealand, South Africa and other countries. They are adding to the effort that is being put in by Australian exporters, who last year achieved a record level of exports out of Australia. An amount of $176.7 billion worth of exports went out of Australia last year, which was a 15 per cent increase on 2004. A lot of those exports came out of the electorate of the member for Hinkler. There has been a significant change in the structure of the industries in that area. The horticultural industry is taking over from the sugar industry in his area.

Under strong coalition policies we have seen record exports in six out of the last 10 years. Historic free trade agreements with the United States, Thailand and Singapore have helped along the way in opening up markets and providing opportunities for Australia’s exporters, such as those in the electorate of Hinkler. By way of example, merchandise exports to Thailand hit a new record in 2005 of $4.1 billion.

**Opposition members interjecting**—

**Mr Vaile**—I can see that the members of the Labor Party are very interested in these statistics! I can tell you that a lot of their constituents are very interested as well. Eight of the top 25 merchandise exports to the United States reached record levels in 2005, and 14 of the top 25 merchandise exports to Thailand reached record levels in 2005. Export of products like aluminium, medicines and motor vehicle parts, which are manufactured in all states of Australia but particularly in Victoria and South Australia, increased to Thailand after we halved the tariffs as a result of the free trade agreement we negotiated with Thailand.

Australia’s exporters are taking advantage of the opportunities being created by our government. We will continue to work with
them. We will continue to work with the job creators in our economy.

Oil for Food Program

Mr Rudd (2.15 pm)—My question is again to the Deputy Prime Minister and Minister for Trade. I refer to two opposition questions yesterday to the Deputy Prime Minister about whether his office or his department at any stage helped BHP, the AWB or Tigris in recovering money from Iraq. Minister, did Mr Bob Bowker, Director of the Middle East Section of DFAT, have any discussions with Norman Davidson Kelly, of Tigris Petroleum in Melbourne, in September 2000?

Mr Vail—I have no knowledge of any discussion being insinuated or alleged by the member for Griffith as having occurred between those two gentlemen. If you would like me to check the records of DFAT I will, and I will come back to you, but I have not been advised of any discussions between those two gentlemen in September 2000.

Climate Change

Mr Broadbent (2.17 pm)—My question is to the Minister for Foreign Affairs. Would the minister update the House on action the government is taking internationally to address climate change? Is the minister aware of any other views?

Mr Downer—Firstly, I thank the honourable member and I appreciate the interest he has in climate change, which is certainly an issue we on this side of the House take very seriously. Members on this side of the House will be interested to know that the inaugural meeting of the Asia-Pacific Partnership on Clean Development and Climate, as it is called, which is abbreviated to AP6, was held in Sydney on 12 January. This was a ministerial meeting of ministers from Australia, China, India, Japan, Korea and the United States of America.

The partners in AP6 share the objective of dealing with the problem of greenhouse emissions while at the same time trying to maintain economic growth. I think this is a very important point for people to understand. With such a large number of people around the world living in poverty, we regard it as essential that efforts be made to bring those people out of poverty through economic growth. Yet that has to be achieved at the same time as ensuring that efforts are made to mitigate the effects of the greenhouse emissions.

The AP6 initiative brought together half of the global GDP and represents around half of the world’s population and, for that matter, around half of the greenhouse emissions. All partners have now committed resources under the partnership to supporting task forces made up of the private as well as the public sectors from each of these countries to work out solutions which will not only improve economic growth prospects for the relevant countries but also address the issue of greenhouse gas emissions and help to reduce the impact of those emissions on climate change.

Are there any alternative views? The Labor Party has several alternative views. The member for Jagajaga and the member for Grayndler attacked the AP6 initiative. They thought it was not a good idea to bring together countries like China, India and the United States, none of which have targets under the Kyoto protocol, and work out ways that those countries can address the climate change issue. It seems to me quite an extraordinary and incredible point of view. But not all people in the Labor Party have such curious views. The member for Batman, for example, who I think is maturing very well in this place, praised AP6, and I praise him for praising AP6.

Mr Martin Ferguson interjecting—
Mr DOWNER—No, you make good, funny jokes and you are a good man. He praised AP6 and said that it not only offered Australia an opportunity for economic growth but also ‘allows us to be part of the solution to the environmental consequences of what is happening in our region’. Exactly! Perfectly put; beautifully put! So if the Leader of the Opposition had any ticker he would admit that Kyoto was insufficient to deal with the problem of climate change. He would have an initiative that would support AP6. He would have things to say about it. He would ask questions in parliament about it. He would generate public debate about it instead of concentrating on trivial questions about matters that are being considered in other fora.

Asylum Seekers

Mr ANDREN (2.21 pm)—My question is to the Attorney-General, representing the Minister for Immigration and Multicultural Affairs. Attorney, can you inform the House on the current status of the application for asylum from the 43 Papuan refugees now being held for processing on Christmas Island?

Mr RUDDOCK—I thank the honourable member for Calare for his question. Obviously, these matters will be progressed by the department as quickly and as expeditiously as possible, but I would make this point about the handling of these matters. I have noted the efforts of some to ensure that the identifying of those who have come to Australia before claims have been dealt with, properly and appropriately in accordance with law, has been allowed to occur. One of the problems I have with matters of that sort is that, under the international conventions that we are a party to, claims which are surplus to the possible persecution—which is, claims that are made in the media unrelated to any possible persecution—do not give rise to an asylum claim. People have been left exposed, I think, by the way in which this issue has been attempted to be used by some. These decisions should be dealt with appropriately by the department and properly in accordance with law.

Health: Queensland

Mr SOMLYAY (2.22 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister advise the House of what support the Commonwealth government is providing to public hospitals in Queensland? Is the minister satisfied that the Queensland government is satisfactorily discharging its obligations under the health care agreement?

Mr ABBOTT—I do thank the member for Fairfax for his question, and I note that he has every right to be anxious about the state of Queensland public hospitals, both as a local member and as the chairman of the House’s Standing Committee on Health and Ageing. I can inform him and other members that Queensland will receive more than $8 billion from the Commonwealth under the current health care agreement. In addition, Queensland is receiving almost $8 billion a year thanks to the GST. But despite these rivers of gold, the Beattie government is chronically underfunding the public hospital system of Queensland. Its spending per head is 25 per cent less than the average spending of the other states. If you do not spend the money, you do not get the services—and the Dr Death inquiry has revealed woefully inadequate procedures for vetting overseas medical qualifications, routine intimidation of staff who question management decisions and habitual deceit about issues such as waiting lists which turned out to be three times greater than publicly claimed.

Last month the Caboolture hospital emergency department was forced to close, and this means that 150,000 people in one of the
fastest growing areas of Queensland do not have ready access to emergency department services. On the very day it closed there was a fatal accident less than 250 metres from this hospital and those people were denied ready access to emergency department services. Last year 200 patients presented at that emergency department who needed immediate attention, 3,000 patients presented at that emergency department who needed attention within 10 minutes and more than 10,000 patients presented there who needed attention within 30 minutes. Most of these people will now be forced to go to Redcliffe, which is up to 40 minutes away by car. Of course, it is possible that they might be able to go by ambulance except that Queensland’s emergency controllers are now dispatching fire engines—fire engines!—to accident victims because there are no longer enough ambulances in Queensland.

What is Premier Beattie doing about this? Today we see more advertisements claiming that it is all the federal government’s fault, even though the number of federally funded, first-year medical student places in Queensland has almost doubled since 1996. I think this parliament should send a very clear message to Premier Beattie: start fixing this mess now; stop telling lies about the federal government to try to save your own political skin.

**Oil for Food Program**

Mr RUDD (2.26 pm)—My question is to the Deputy Prime Minister and Minister for Trade. I refer to the minister’s inability to answer the last two questions I asked him today and the questions I asked him yesterday, Minister, given that it is two years since the Volcker inquiry was established, given that you have had dozens of DFAT officials poring over all DFAT files over that period of time and given that the Cole inquiry has now been established for three months, how can you possibly come into question time today as Deputy Prime Minister of Australia and claim to be unprepared to answer these basic questions concerning your role in this $300 million wheat for weapons scandal?

Mr VAILE—Yesterday I answered very clearly about DFAT’s knowledge of the AWB-Tigris deal. I answered that very clearly yesterday, I added to an answer last night and the member for Griffith has just identified the fact here that the Cole inquiry is inquiring into this and getting to the depth of all these facts, particularly with regard to the extension of the terms of reference that Commissioner Cole has sought on this matter.

Mr Rudd—Mr Speaker, I rise on a point of order as to relevance. The question was: how can he be unprepared to come in and answer—

The SPEAKER—The member will resume his seat.

**Workplace Relations**

Mrs MARKUS (2.28 pm)—My question is addressed to the Minister for Employment and Workplace Relations. What are the implications of the Workplace Relations Act for the effective functioning of registered organisations?

Mr ANDREWS—I thank the member for Greenway for her question and note the great representation that she is providing to people in Greenway, in the western suburbs of Sydney. She asked me about registered organisations, and of course some of the most significant registered organisations in Australia are trade unions. Last week it was revealed by the Australian Electoral Commission that the unions in Australia have donated to the Australian Labor Party since 1996 some $50 million. I was interested in that in light of some remarks that have been made about the activities of these registered organisations, particularly in relation to the Australian Labor
Party, to which they have donated some $50 million. Indeed, there was a program on radio on the weekend Background Briefing, whose transcript I commend all honourable members to read because there are a number of quite significant comments made during the course of that program.

First of all, we had a former minister from the Wran government of New South Wales, Mr Rodney Cavalier. When commenting on the Australian Labor Party, he said:

The central problem with the Labor Party is that it is controlled lock, stock and barrel by trade unions, 100 percent of management power is in the hands of union leaders and their clients.

That is what he says they bought for their $50 million. There were other comments. The opposition are making a lot of noise because they do not want to hear this. We had a New South Wales Labor official, Assistant Secretary Mr Luke Foley, who himself had been a trade union boss in New South Wales. Amongst other things, he said:

At the moment, it is really only union secretaries who wield power through the carrying of block voters at Labor Party conferences.

He is basically saying that the ordinary members no longer have a say and no longer have a vote. Then we had Mr Peter Botsman, who said:

What I know is that the Australian Labor Party is not democratic.

Mr Beazley—Mr Speaker, I rise on a point of order. This has been going on at tedious length. Why don’t you ask the minister to make a ministerial statement that we will all happily debate.

The SPEAKER—There is no point of order. The Leader of the Opposition will resume his seat. The minister is in order.

Mr ANDREWS—I will repeat what Mr Botsman was saying:

What I know is that the Australian Labor Party is in which it runs its administrative apparatus, and as a result the Labor Party is out of touch, issues don’t matter, ideas don’t matter, the fate and future of the country don’t matter.

He summed up the modern Australian Labor Party under the leadership of the member for Brand—the man who in the same interview conceded six months ago that they would lose the next election. What this shows is no membership—

Opposition members interjecting—

The SPEAKER—The minister will resume his seat. The minister has the right to be heard. I call the minister.

Mr ANDREWS—This transcript shows, from voices of the Labor Party in Australia, that it has no membership, no ideas, no policies and no leadership.

Oil for Food Program

Mr GAVAN O’CONNOR (2.32 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. I refer the minister to statements released yesterday by the Chair of the Wheat Export Authority, Mr Tim Besley, that in mid-2004 the Wheat Export Authority became aware that AWB was supplying wheat to Iraq under an arrangement that included overland transport by a Jordanian trucking company at inflated contract prices well above the global benchmark and that, as a result of that information, the WEA undertook an investigation of these arrangements. Given this investigation by the WEA, why did the minister tell the House on 9 November last year:

The WEA has had no material which suggested additional scrutiny was warranted.

Why did the minister mislead the House?

Mr McGAURAN—I thank the honourable member for his question. At the outset, let me say that I have not misled the House. The Wheat Export Authority, on the basis of newspaper reports, initiated their own inquir-
ies of AWBI in February 2004. Over a period of time they sought information and examined documents and then in August 2004 attended the offices of AWBI and looked at 17 specific contracts between AWB and Iraq. They were acting under their legislative responsibilities. When they heard of the kickback rumours—no evidence was presented—they initiated their own inquiries. They were clearly and repeatedly told by AWB that there were no improprieties in regard to the contracts that the WEA investigated. From the information provided to the WEA, and to their best abilities, they found, to quote their chairman, ‘Nothing untoward’. The WEA has provided all relevant papers and correspondence on these issues to the Cole inquiry, and I suggest that we allow the inquiry to do its job.

**Family Law**

Mr FAWCETT (2.35 pm)—My question is addressed to the Attorney-General. Would the Attorney-General update the House on the government’s efforts to reform the family law system, and are there any alternative policies?

Mr RUDDOCK—I thank the honourable member for Wakefield for his question because I know that he, like many members of this House, is vitally interested in the implementation of substantial family law reforms. On 8 December I introduced a bill into this House containing the most significant changes to family law in over 30 years. It was derived from valuable work that had been undertaken in this chamber by committees—the first chaired by the honourable member for Riverina and the second by the honourable member for Fisher—proposing reform in this area. I regarded both of those reports very highly and have been pleased to see substantial implementation of the recommendations contained in them.

I am keen to see the support of the sort that we saw in the results of the two committees—bipartisan support for these measures—but I notice that, notwithstanding the substantial agreement, there was not total agreement to those measures. The member for Gellibrand, the shadow attorney, for example, had a different view to some of her colleagues in relation to those matters when they were dealt with in the excellent report from the House committee. She did say that she was going to spend the summer break going through the bill line by line. I am pleased to see the member for Gellibrand back from her summer break and, after the 63 days that she has had to go through the bill line by line, I am still waiting to hear the result of all that effort.

I know sometimes we have to wait for these contributions. I know that one of her colleagues, Senator Hogg, who was asked to comment on these matters recently told a constituent that Labor is working on its policy, which will be released before the next election. I hope we do not have to wait that long. I also hope it is not an indication of where the Labor Party stands that, after the two largely bipartisan reports, extensive consultation and public submissions, the Labor Party has facilitated a further committee review in the Senate which will not report until next March. This means that thousands of mothers, fathers, grandparents and friends who support the reforms and want certainty in the new arrangements and who certainly do not want to see these measures delayed will see such a delay facilitated by this further Senate review. There are thousands of children who deserve better outcomes when their parents separate. This government wants to get on with the job of improving our family law system and wants to get it done expeditiously.
Oil for Food Program

Mr GAVAN O’CONNOR (2.38 pm)—My question is again to the Minister for Agriculture, Fisheries and Forestry. I refer the minister to last night’s statement by a spokeswoman for the Minister for Transport and Regional Services, Mr Truss, that the 2004 confidential report from the Wheat Export Authority to Mr Truss contained details of AWB payments of transport fees to a Jordanian trucking company. Given this statement, why did the minister tell the House on 8 December last year in response to a question about freight costs paid by AWB in Iraq: ... those confidential reports to the minister for agriculture ... do not contain the sort of information implied in the honourable member’s question.

Minister, why did you mislead the House?

Mr McGAURAN—I thank the honourable member for his question. I did not mislead the House. I believe the answer to his question lies in the letter from the Chairman of the WEA to Senator Heffernan, as Chairman of the Senate Rural and Regional Affairs and Transport Estimates Committee, which is dated 7 February:

When questioned specifically by WEA staff over the provision of “kickbacks” in Iraq AWB(I) denied any wrong. AWB(I) staff pointed to the unique circumstances of Iraq sales (eg: that sales were to include delivery of wheat over land and payment is not made until the wheat is delivered) to explain why it was necessary to pay a Jordanian trucking company and why prices may appear above global benchmarks.

Whilst we are talking about statements from last night, I notice your statements and your doorstop talks about how this is the smoking gun.

Mr Beazley—Mr Speaker, I rise on a point of order. It goes to relevance. The question referred to his quote, which said that those confidential reports ‘do not contain the sort of information implied in the honourable member’s question’. That was about transport fees.

The SPEAKER—The Leader of the Opposition will resume his seat.

Mr Beazley—That is why you misled the House.

The SPEAKER—The leader will resume his seat. The minister is answering the question.

Mr McGAURAN—If it will help the honourable member understand the role of the WEA, they look at land transport costs to free on board, because they are costs borne by wheat growers—in other words, they are a cost to the national pool. But in the normal course of events they do not look at land transport costs offshore because of the assurances they have received in the past that they are borne by the customer and therefore are not a draw on the national pool and are not within their charter. But they made an exception. To their full credit, they made an exception to this practice and to these responsibilities when in August 2004, on the basis of public newspaper reports, they made inquiries about land transport costs in the event that those costs were being borne by wheat growers. So it is a very simple thing. Let us talk about last night. Last night this was the smoking gun. This morning, the Leader of the Opposition says there is no smoking gun.

Oil for Food Program

Mrs BRONWYN BISHOP (2.43 pm)—My question is addressed to the Minister for Foreign Affairs. Is the minister aware of claims made in the public arena asserting the involvement of the Australian government in the alleged AWB kickback scheme? What is the minister’s reaction to these claims?

Mr DOWNER—I thank the honourable member for Mackellar for asking me a question about this issue. I appreciate her interest in asking me a question. Let me begin an-
swering these claims by making a simple point: if Saddam Hussein’s regime had re-
mained in power, the oil for food program would have continued and the corruption of
the oil for food program would have re-
mained undiscovered.

Opposition members interjecting—

The SPEAKER—Order! The minister
will resume his seat. Members on my left are
holding up their leader!

Mr Beazley—Mr Speaker, I rise on a
point of order. It goes to relevance. On the
basis of this argument, we went to war with
Saddam Hussein to stop corruption in the
AWB.

The SPEAKER—The Leader of the Op-
opposition will resume his seat. That is not a
point of order.

Mr DOWNER—The corruption would
be continuing undiscovered if the Labor
Party had had its way. Let me just make that
point. It was the work of the coalition provi-
sional authority, it was the work that was
done to expose what Saddam Hussein’s re-
gime had been doing through access to the
documents of that regime and interviews
with people in that regime that made it pos-
sible to establish the corruption in the oil for
food program. There was the establishment
of the Volcker committee and its report and
ultimately the establishment in this country
of the Cole commission.

Mr Tanner interjecting—

The SPEAKER—The member for Mel-
bourne is warned.

Mr DOWNER—but on the Lateline pro-
gram on Monday night, the Leader of the
Opposition said that this money was respon-
sible for funding Saddam Hussein’s research
into weapons of mass destruction. So at least
we get the concession from the Leader of the
Opposition that Saddam Hussein was doing
research into weapons of mass destruction.
These are profoundly serious allegations to
make against the Australian government—

Mr Tanner interjecting—

The SPEAKER—The member for Mel-
bourne will remove himself from the cham-
ber under standing order 94(a).

The member for Melbourne then left the
chamber.

Mr DOWNER—What is interesting is
that, as we come to the end of this parlia-
mentary week, no evidence has been pro-
duced at all to support these extraordinary,
extremist and hyperbolic assertions. Last
week the Leader of the Opposition said to
the National Press Club:

...I promise you—
the people at the National Press Club are
journalists—
and every Australian—

CHAMBER
this—
will be the most aggressive Parliamentary inter-
rogation this Government has faced in its ten long
years in office.
You can just imagine him saying it, all blown
up, explosive and excited: ‘The worst cor-
ruption in 25 years’, ‘Responsible for the
deaths of Americans’, ‘Suicide bombers’,
‘Research into weapons of mass destruction’,
yet after a whole week of these incredible
assertions the Leader of the Opposition today
was quoted on Brisbane ABC news as say-
ing:
There is no smoking gun here.
Oh dear! The most corrupt, appalling, vile,
cruel, wicked people in the history of the
universe—but there is unfortunately no
smoking gun. The Leader of the Opposition,
at the end of the day, is a weak man who is a
pathetic parliamentary performer.

Oil for Food Program
Mr BEAZLEY (2.48 pm)—The CIA
agrees with me, I am sorry about him—

The SPEAKER—The leader will come
to his question or resume his seat.

Mr BEAZLEY—My question is to the
Minister for Transport and Regional Ser-
vices. We will get back to uncovering this
scandal. I refer to the statement from the
minister’s office last night that the 2004 con-
fidential report from the Wheat Export Au-
thority to him contained details of AWB
payments of transport fees to a Jordanian
trucking company. I also refer to the fact that
the minister’s statement contradicts the Min-
ister for Agriculture, Fisheries and Forestry’s
answer to the House on 8 December last
year:
... those confidential reports to the minister for
agriculture ... do not contain the sort of informa-
tion implied in the honourable member’s ques-
tion.
Why didn’t the minister take steps under the
ministerial code of conduct to correct this
mislead as soon as possible? Why did he turn
a blind eye?

Mr TRUSS—There is absolutely no dif-
terence between the comments that have
been made by me and the comments made
by the new minister for agriculture. What the
minister for agriculture has clearly pointed
out is that the Wheat Export Authority exer-
cised its legislative responsibility to investi-
gate allegations that were in the public do-
main. It reported on these matters in the con-
fidential report to the minister, which I re-
ceived in October 2004. Whilst the report is
confidential, Mr Besley, the chairman of the
authority, has said a couple of things about
what was in that report. The first the minister
for agriculture commented about a couple of
minutes ago in his letter to Senator Heffer-
nan in which he made the comment and re-
ferred to his statements in front of the Senate
estimates committee that nothing untoward
emerged from that check. To quote from Mr
Besley, in the newspaper today, he said:
The information given to the minister—
and in this instance it was me—
contained no evidence of wrongdoing. Instead,
the minister was told the WEA had given AWB a
“clean bill of health”. So the advice given by the WEA to the min-
ister was that the AWB had a clean bill of
health on these issues. I believe the response
that was made at that time was entirely ap-
propriate. It dealt with the complaints, it
dealt with the allegations and advised the
minister that the AWB had a clean bill of
health.

Higher Education
Mrs DRAPER (2.51 pm)—My question
is addressed to the Minister for Education,
Science and Training. Would the minister
inform the House how the government is
providing increased opportunities for Australian school leavers to attend universities?

Ms JULIE BISHOP—I thank the member for Makin for her question and I acknowledge her deep interest in opportunities for school leavers in her electorate. I am very pleased to be able to report to the House that the latest data in relation to main round offers for school leavers of university places has increased across the nation by 4.4 per cent over last year. Across the nation states vary, but some of the stand-out increases in offers for university places for school leavers include seven per cent in Western Australia; over 8½ per cent in Queensland; and, the honourable member will be delighted to know, over 10½ per cent in South Australia and the Northern Territory.

In this year alone there are an additional 18,500 Commonwealth supported places in the higher education sector. That will rise to some 39,000 places by 2009. These places are all part of the Howard government’s Backing Australia’s Future reform initiative that will see an additional $11 billion invested in the higher education sector over the next decade.

In coming to this portfolio I must say that I just cannot understand how the Labor opposition voted against the Backing Australia’s Future program. They voted against it, essentially saying to students, ‘You shouldn’t have access to $400 million in scholarships,’ saying to universities, ‘You shouldn’t have access to an extra $354 million to reward learning and teaching excellence,’ and saying to regional universities, ‘You shouldn’t have access to an extra $145 million.’ The Howard government is committed to the future of school leavers by providing more Commonwealth supported university places, more training and apprenticeship opportunities and more employment opportunities.

Wheat Export Authority

Mr BEAZLEY (2.54 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry. Doesn’t the Wheat Export Authority have powers to examine all AWB documents relating to wheat sales? Isn’t it the case that the WEA has been investigating incentives and agency facilitation payments by the AWB? Isn’t it also the case that the WEA provides confidential reports on the details of AWB contracts to the minister? Minister, isn’t it the case that the Howard government ministers were receiving a constant stream of advice on AWB’s performance in contracts? Hasn’t the minister turned a blind eye on every piece of advice, every warning, every flashing light? Will you now table those confidential WEA reports?

Mr McGAURAN—No, is the short answer to your question.

Mr Beazley interjecting—

The SPEAKER—Order! The Leader of the Opposition has asked his question.

Mr McGAURAN—The WEA has performed its responsibilities pursuant to the act.

Opposition members interjecting—

Ms Gillard—Why not table the document?

Mr Swan—Why not?

The SPEAKER—Order! The member for Lilley is warned!

Mr McGAURAN—You are breathless with excitement that this is some new matter. Since the evidence of Mr Besley, the Chairman of the WEA, to the Senate estimates on 1 November the shadow minister for agriculture has issued six press releases on this issue. He rushes up to the gallery close to deadline time last night and says, ‘Here’s a smoking gun.’ Some journalist, unaware of the administrative oversighting and structures of the Wheat Marketing Act, runs his
line. You repudiate him this morning. We have answered your questions fully and the WEA has done the job to the best of their ability.

**DEPUTY PRIME MINISTER**
**MINISTER FOR AGRICULTURE, FISHERIES AND FORESTRY**
**MINISTER FOR TRANSPORT AND REGIONAL SERVICES**

Censure Motion

Mr BEAZLEY (Brand—Leader of the Opposition) (2.56 pm)—I seek leave to move the following motion:

That this House censure the Deputy Prime Minister, the Minister for Agriculture, Fisheries and Forestry and the Minister for Transport and Regional Services for:

1. concealing from the Parliament the full extent of their knowledge of the breaches by AWB Limited of the United Nations Oil for Food Program; and

2. their failure to prevent AWB from making payments totalling $300 million to the Saddam Regime through that program for the purchase of weapons and the funding of suicide bombers.

Leave not granted.

Mr BEAZLEY—I move:

That so much of the standing and sessional orders be suspended as would prevent the Leader of the Opposition moving forthwith:

That this House censure the Deputy Prime Minister, the Minister for Agriculture, Fisheries and Forestry and the Minister for Transport and Regional Services for:

1. concealing from the Parliament the full extent of their knowledge of the breaches by AWB Limited of the United Nations Oil for Food Program; and

2. their failure to prevent AWB from making payments totalling $300 million to the Saddam Regime through that program for the purchase of weapons and the funding of suicide bombers.

This is a massive scandal and yet they will not permit a censure motion on it. We had the Minister for Foreign Affairs desperately trying to clean up for his National Party colleagues here with his answer. He stood up in this place and said that the money that went to Saddam Hussein corruptly under this program was not used for the insurgency, for weapons or for the payment of suicide bombers. He said that, despite the fact that the Coalition Provisional Authority advised him that that was a serious possibility. That is point 1.

Point 2: he said that despite the fact that the Iraq Survey Group, run by the CIA and with many Australian participants, found exactly the same thing. You should hang your heads in shame on this. You have been desperate all week to drag the Cole commission down over yourselves like some sort of cupola over a bunker and to say that the blame lies here with the AWB types and nowhere else. Gradually, slowly, kicking and screaming, you brought your own people into it, but you have still not put them into it fully.

The simple fact of the matter is that the National Party has used this program to satisfy its constituency and, at the same time as using this program to satisfy its constituency, it has trashed the reputation of this nation, has damaged our ally and has trashed the long-term viability of the way in which we do wheat sales in this country—all of it sitting on your desks.

It is obviously very difficult for the media to understand the significance of what was put down yesterday. I understand that; there is so much detail in this program that it is always difficult to see the wood for the trees. When you have one piece of documentation after another pouring out—hints, whispers, indications, possibilities of some degree of
knowledge of what was going on, you forget the fundamentals of it.

The fundamentals of it are that you have one agency reporting to your ministry of agriculture. It was not, as you deceitfully told parliament last year, that there were no matters related to transport or the detail of contracts, but in fact a great deal of detail. There was a considerable amount of detail when they looked at those 17 contracts and detail when they looked at others. From 1999 onwards, they were persistently examining, piece by piece, each of those contracts for the structure of the payments that were being made. As a result of that, they should have been sending one message of warning after another to you. You chose to turn a blind eye to those messages.

The SPEAKER—Order! The Leader of the Opposition will desist from using the word ‘you’.

Mr BEAZLEY—It was one message of warning after another to ministers. The simple fact of the matter is that this government turned a blind eye to them. In the course of this week, there has been a desperate effort by this government to convince people that this matter is all too hard to be considered by the parliament and that it should be concluded only at the Cole royal commission. This is despite the fact that vast elements of this matter will never be considered by the Cole commission and that the commission now does not have the power to make recommendations on important elements of it. That is the critical thing: it does not have the power to make recommendations.

As things stand at this moment, Commissioner Cole does not have the power to recommend criminal action against any public servant, minister or public official. If he says that he has asked for it, why don’t you give him the power now? That is the point. The government are resisting at every trench line the opportunity to get in there and look at what they are doing. That is one thing that the Cole commission is not looking at.

I will tell you another thing that the Cole commission is not looking at. It is not looking at how Saddam spent this money. It is not looking at where the money went or how it was utilised. Ministers in this place are honour bound to the people of this country and to our allies to get an understanding of exactly where this money went and how it was utilised.

Australian soldiers are in Iraq. Those Australian soldiers are not facing broomsticks. Those Australian soldiers are facing a substantial poultice of weaponry, which thankfully has not been turned on them but on a daily basis is massively turned on their American allies and on friends of their American allies who are now trying to run the Iraqi regime. This is a massive blot on the government’s reputation that will not be accounted for by Cole.

When the Deputy Prime Minister stood up here and said, as he did, that there was no evidence that the Australian resources had been utilised for the acquisition of weapons and the support of efforts to continue research weapons of mass destruction, I do not know why the foreign minister got up and backed him about that. The Iraqi Survey Group found evidence that Saddam had indeed pursued research on weapons of mass destruction. The issue in relation to weapons of mass destruction, which he conveniently skates over, is whether or not they existed and were deployed. The Iraqi Survey Group found that they did not exist. They were not deployed but they were researched. Where did the resources come from to research them? According to the CIA and the Iraqi Survey Group, they came from the oil for food program. That is the point.
There is always a desire in this place to let a government off the hook and say: ‘They’re all good chaps, good chums. Let’s all be a bit bipartisan. Let the government proceed on a day-to-day basis.’ But this House is the house of accountability. This House is where we air these problems. None of these issues will be aired at the Cole royal commission. How could they be? How could you set Cole down the track of trying to find out what happened to various bank accounts in Jordan or various bank accounts in Iraq? This government could.

There is no problem for them to start to seek to find where those resources went and whether or not any of them had been utilised or could have been potentially utilised in the number of shooting incidents involving Australian military personnel in Baghdad. While, thankfully, in Al Muthanna province no shots have been fired at our personnel that hit home, in the case of Baghdad there have been. Fortunately, there have been no deaths, but there have been shots fired. Those attacks were mounted by the insurgency, by the leftovers of the Fedayeen, who were from the regulars defending Saddam’s regime at the time of the invasion by the United States and allies of Iraq several years ago. They were funded virtually exclusively out of the oil for food program.

These are the central issues which the government must answer, which they are absolutely determined not to answer but are absolutely determined to distract the press with. For once in the government’s 10 long years in office, the press are starting to focus on them and hold them to account—and yesterday something came out. No, it was not a smoking gun. This morning I said that it was another hole in the bucket of the government’s credibility and that it indicated that there was now a regular basis of report into the ministry of agriculture on the detail of the AWB contracts. If you were not interested in turning a blind eye, if you were not being recklessly negligent, you might say: ‘This is a bit much, really. We ought to look at it a bit harder. We ought to give this a bit more detailed consideration.’ There was one report after another. They will not table those reports in this place, and I will lay you London to a brick they will not table them at the Cole commission either. But maybe after having raised it in this place today, they will get them. But we should get them in this place—(Time expired)

Mr Gavan O’Connor—I second the motion and reserve my right to speak.

Mr TRUSS (Wide Bay—Minister for Transport and Regional Services) (3.07 pm)—Yesterday, about this time, the honourable member for Corio rushed breathlessly to the press gallery to tell them all he had found the smoking gun: he had the evidence that would bring the government down. By this morning, the Leader of the Opposition had brought him down by making it clear he did not have a smoking gun, and he did not have a smoking gun because the comments by the member for Corio were absolutely empty. The reality is that there have been no messages of warning delivered to ministers for agriculture over the years about this particular issue.

Indeed, the messages that came from the Wheat Export Authority, from Tim Besley—a very respected businessman who knows a good deal about commercial activities—to the minister of the day were unambiguously that they had investigated the AWB and had found nothing untoward. No minister was given advice by the Wheat Export Authority which would suggest that there were matters of concern that needed to be investigated further. The Wheat Export Authority had access to all of the documents that the AWB had at its disposal. They had the opportunity
to move through the office at will and find what they wanted.

Indeed, after the Wheat Export Authority had made a decision that they wanted to investigate some of the allegations that had been made in Canada and the United States about kickbacks in relation to Iraqi trade, they took it upon themselves to undertake this investigation. They analysed a whole stack of records. They attended the AWB offices. They examined contracts, certification of export details, authorisation letters from the UN and they verified that those details were consistent with information that had previously been provided and obtained by the WEA.

The WEA staff examined 17 out of 41 sales contracts for the sale of wheat to Iraq under the UN oil for food program, so it was a pretty thorough examination and representation. Their conclusion was there was nothing untoward. They found nothing untoward. The Leader of the Opposition is trying to propound some kind of a theory that the minister should have said to the chairman of the WEA, a distinguished businessman with very substantial commercial credentials—

Mr Rudd interjecting—

The SPEAKER—Order! The member for Griffith!

Mr TRUSS—He should have said, ‘You’ve got it all wrong. I know more than you. The statutory body charged with dealing with these sorts of things did not know what it was doing and the minister should have known more.’

Mr Rudd interjecting—

The SPEAKER—Order! The member for Griffith is warned!

Mr TRUSS—This is a ridiculous and preposterous proposition that the Leader of the Opposition is proposing. A number of issues of concern were raised by the WEA with the AWB and the AWB provided answers. The WEA asked why the prices were higher for transport in Iraq than had been the case in, say, western New South Wales. It is not very surprising that the cost would be higher for transport in a war torn country. As indicated in the answer that Mr Besley has provided, the reality is that it was part of the contract that they had to deliver this wheat from the port, upcountry, and they did not get paid until it was actually delivered to the customer. So this land transport element was a key part of the delivery of the contract.

The Leader of the Opposition has indicated that the government has not tabled in parliament the WEA confidential report to the minister. There is a very good reason for that: the legislation specifically precludes it. The legislation protects the confidentiality of this report.

Mr Rudd interjecting—

Mr TRUSS—Go and seek your own legal advice. I certainly have, and the legal advice is that this report cannot be made public and that is specifically stated in the legislation. However, if the Leader of the Opposition wants to nominate somebody of interest to him to read the confidential report—provided you are prepared to respect the confidentiality of the commercial elements that might disadvantage Australian farmers if they were to be released—the government is prepared to provide you with that kind of an opportunity. But let me assure you that the statements publicly made by Mr Tim Besley about the content of those confidential reports and their examination in relation to the Iraq contracts are consistent with what is in the report. I remind you again: Tim Besley said, ‘There’s nothing—

The SPEAKER—Order! The minister will address his remarks through the chair.

Mr TRUSS—Mr Speaker, what Mr Besley has said is that there is nothing unto-
ward that emerged from WEA’s checks. I think he went much further in his statement today in the *Australian* where he said:

… information given to the minister contained no evidence of wrongdoing. Instead, the minister was told the WEA had given AWB a “clean bill of health”.

Let me say that is entirely consistent with my understanding and my reading of the reports that were presented to the minister. The Leader of the Opposition also made the quite extraordinary comment that the minister was receiving daily reports, or very regular reports, on the activities of the AWB. This was an annual report provided only once every year on the previous pool’s activities. However, there was a second report, a report that was made publicly available to every wheat grower in Australia. It was also available to anybody else, and is still available to anybody who would choose to look at it. I presume the opposition, since they claim they have been trawling through all the documents, have actually had a look at that public document. It is publicly available. They will note that that public document also raises no reservations whatsoever about the Iraqi contracts that should have caused alarm to either the minister or anybody else reading it. The publicly produced documents by the WEA clear the AWB of any wrongdoing, or certainly do not cover any issues that would have raised concern. The confidential report, which deals with this issue, also raises no issues which would be of concern to a competent minister.

The reality is that this government has cooperated fully with the Cole committee of inquiry. In this regard the Leader of the Opposition made another completely inaccurate statement. He said that the Cole inquiry did not have access to the confidential report. That is wrong. The Cole inquiry not only has access to the 2003-04 report to the minister for agriculture, which is the one that deals with these sorts of issues, but it also has board minutes, secretariat records, working papers and correspondence relating to WEA and AWB. It has all been provided to the Cole commission by the WEA.

Whatever the Cole commission wants in relation to this issue, it most certainly has access to. There are, as I mentioned to you, confidentiality provisions within the act and, needless to say, the Cole inquiry will need to consider the act in examining what bits can be made public. But certainly the issues in relation to the Iraq study, in my view, contain no commercial-in-confidence matters. I have no objection personally, and I suspect also that no-one in the government has any objection, to the Leader of the Opposition or a person that he might nominate having a look at those particular sections or, for that matter, the whole report, so long as he is prepared to acknowledge that there are some confidential issues that I would expect him to respect.

The reality is that this censure motion has no substance whatsoever. The Minister for Trade, the current Minister for Agriculture, Fisheries and Forestry and I, as the minister for agriculture for about six years, have acted completely responsibly in these matters. There was no occasion when the WEA brought to the minister’s attention any concerns at all about the Iraq contracts or the arrangements for trucking or other matters in Iraq. In fact they said precisely the opposite: they had given the AWB a clean bill of health. On that basis, the government’s response has been entirely appropriate.

There are allegations that are being made. Again, we have acted very openly and completely in this issue by setting up a rigorous commission of inquiry under Cole, a man noted for looking under every stone, and we have been prepared to make every piece of information available that he could possibly want. It is appropriate that that inquiry run its
course. It will have access to the right information, and I have every confidence it will exonerate the government in its findings because, frankly, all ministers have acted responsibly in this matter.

**Mr GAVAN O’CONNOR** (Corio) (3.16 pm)—Minister Truss, incompetence and negligence are simply no defence in this matter. There is one simple proposition at the heart of this whole scandal: if the government did not know of the kickbacks to Saddam Hussein’s regime and if its officials in the Department of Foreign Affairs and Trade and in the Department of Agriculture, Fisheries and Forestry had no knowledge of the matters relating to this scandal, why don’t you simply open up the terms of reference of the Cole inquiry so that they can come before it and you can come before it to tell what you know—

*The SPEAKER*—Order! The member for Corio will address his remarks through the chair.

**Mr GAVAN O’CONNOR**—The scandal is of such proportions that there is simply no credible defence for the government in the matter. The government claims that it knew nothing of the kickbacks in face of the evidence that we now know was presented to it over several years. On that basis alone, it is culpable on a grand scale. If it did know of the kickbacks and failed to act on that information, it is culpable on an infinitely greater scale. Either way, it stands condemned for its failure to act on this matter—its failure to investigate AWB’s involvement in the payment of kickbacks to the Iraqi regime.

The minister comes to the table and tells this House that the Wheat Export Authority, headed by a National Party mate—or headed by a mate—did not give any advice to him or other ministers on the kickbacks that had been paid. I say to the minister: why didn’t you act on these warnings? In June 1999 the

Iraqi Grains Board invites AWB to respond to a new tender that includes a new price term: ‘CIF free in truck to all governorates’. On 14 July AWB enters three contracts with the Iraqi Grains Board under the oil for food program—the first AWB contracts to incorporate the new contractual terms for inland transport. You were the minister. The minister claims he did not know of these particular contracts and the changed circumstance.

On 21 December 1999 the Canadian government tells the UN about a proposed contract where Iraq is demanding a payment of $700,000 to a Jordanian bank account to cover inland transport costs. The Canadians tell the UN that they understand that Australia has already entered into this kind of contract—and the minister and the government did not know about it. On 2 January the UN raises concerns with Australia’s permanent mission to the UN about issues of irregular payments to the Iraq regime—and the minister claims that he knew nothing about it. On 7 March 2001 the *New York Times* carries an article on abuse of the oil for food campaign, including bogus inland transport charges—and the minister claims to this House that he and the government knew nothing about it. In May 2002 the US General Accounting Office presents a report on weapons of mass destruction and gives details of the rorting of the oil for food program by the addition of surcharges on contracts. The minister has a department advising him on these matters, and he comes into this House claiming he had no knowledge of it. On 22 October 2003 US Senator Tom Daschle writes to President Bush to ask him to investigate allegations that Australia sold wheat to Iraq at inflated prices which incorporated the inland transport costs—and the minister claims today he knew nothing about it.

Ignorance, incompetence and negligence are no excuse for the worst scandal that Australia has seen, which is now damaging Aus-
tralia’s great wheat industry, and the responsibility lies at the feet of Howard government ministers.

Question put:

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

The House divided. [3.26 pm]

(The Speaker—Hon. David Hawker)

Ayes………….. 58

Noes………….. 80

Majority……….. 22

AYES

Adams, D.G.H. Beazley, K.C.
Bird, S. * Burke, A.E.
Byrne, A.M. Croan, S.F.
Elliot, J. Ellis, A.L.
Ferguson, K. Fitzgibbon, J.A.
Georganas, S. Gibbons, S.W.
Grierson, S.J. Hall, J.G. *
Hayes, C.P. Irwin, J.
Kerr, D.J.C. Lawrence, C.M.
Macklin, J.L. McMullan, R.F.
Murphy, J.P. O’Connor, G.M.
Plibersek, T. Quick, H.V.
Roxon, N.L. Sawford, R.W.
Smith, S.F. Swan, W.M.
Vamvakou, M.

Albanese, A.N. Bevis, A.R.
Bowen, C. Burke, A.S.
Corcoran, A.K. Edwards, G.I.
Ellis, A.L. Emerson, C.A.
Ferguson, M.J. Garrett, P.
George, J. Gillard, J.E.
Hatton, M.J. Hoare, K.J.
Jenkins, H.A. King, C.F.
Livermore, K.F. Melchand, R.B.
Melham, D. O’Connor, B.P.
Owens, J. Price, L.R.S.
Rudd, K.M. Sercombe, R.C.G.
Snowdon, W.E. Thomson, K.J.
Wilkie, K.

NOES

Abbott, A.J. Andrews, K.J.
Baird, B.G. Baldwin, R.C.
Bartlett, K.J. Bishop, J.J.
Brough, M.T. Causerley, I.R.
Cobb, J.K. Downer, A.J.G.
Dutton, P.C. Fawcett, D.
Forrest, J.A. * Georgiou, P.
Hardgrave, G.D. Henry, S.
Howard, J.W. Hunt, G.A.
Johnson, M.A. Keenan, M.
Kelly, J.M. Ley, S.P.
Lloyd, J.E. Markus, L.
McArthur, S. * Moylan, J.E.
Nelson, B.J. Pearce, C.J.
Pyne, C. Richardson, K.
Ruddock, P.M. Scott, B.C.
Smith, A.D.H. Southcott, A.J.
Thompson, C.P. Tolner, D.W.
Tuckey, C.W. Vaile, M.A.J.
Vasta, R. Washer, M.J.

Cadman, A.G. Ciobo, S.M.
Costello, P.H. Draper, P.
Entsch, W.G. Ferguson, M.D.
Haase, B.W. Hartsuyker, L.
Hockey, J.B. Hull, K.E.
Jensen, D. Jull, D.F.
Kelly, D.M. Laming, A.
Lindsay, P.J. Macfarlane, I.E.
May, M.A. McGauran, P.J.
Nairn, G.R. Neville, P.C.
Prosser, G.D. Randall, D.J.
Robb, A. Schultz, A.
Secker, P.D. Somlyay, A.M.
Stone, S.N. Ticehurst, K.V.
Turnbull, M. Vale, D.S.
Wakelin, B.H. Wood, J.

* denotes teller

Question negatived.

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

QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Oil for Food Program

Mr VAILE (Lyne—Minister for Trade) (3.31 pm)—Mr Speaker, I seek the indulgence of the chair to add to an answer.

The SPEAKER—The minister may proceed.

Mr VAILE—In question time today there were a couple of issues raised by the member
for Griffith that I indicated I would seek a response to, and I now have that response. Firstly, I have been advised that, from time to time, DFAT met with AWB representatives to discuss general wheat trade issues, including in December 1999. On the second issue, I have been advised that Bob Bowker has no recollection of a specific meeting with Mr Davidson Kelly in September 2000.

Mr Beazley—Mr Speaker, I ask that the minister table his notes.

The SPEAKER—Was the minister speaking from confidential notes?

Mr Vaile—I was, Mr Speaker.

DOCUMENTS

Mr Baldwin (Paterson—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (3.32 pm)—Documents are tabled as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following document:


Debate (on motion by Ms Gillard) adjourned.

MATTERS OF PUBLIC IMPORTANCE

Oil for Food Program

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

The failure of the Government to investigate the AWB over payments to the Iraqi regime.

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

Mr Gavan O’Connor (Corio) (3.33 pm)—The matter of public importance we are debating today is the biggest scandal this nation has seen in its recent political history: the payment of kickbacks worth $300 million by the Australian Wheat Board to the Iraqi dictator Saddam Hussein. These kickbacks occurred at a time when the Australian government was strutting the domestic and international stage railing against the excesses of the Saddam Hussein regime and preparing for war against it. There is one central, undeniable fact in this whole sordid saga: this scandal occurred on the Howard government’s watch. No-one else is to blame; this scandal occurred on the Howard government’s watch. The Liberal and National party government led by John Howard has presided over a scandal of gigantic monetary proportions—$300 million worth of growers’ money paid to an Iraqi dictator.

The Prime Minister is an emperor without clothes in this scandal. It is of such proportion that there is really no credible defence for this bankrupt government. The government claims that it knew nothing of the kickbacks in face of the evidence that we now have. If that is the case, then it is culpable on a grand scale. If it knew of the kickbacks and failed to act on that information, then it is culpable on an infinitely greater scale. Either way it stands condemned. It stands condemned for its failure to act to investigate the Australian Wheat Board over payments of some $300 million to the Iraqi dictator.

The charges of substance now against this government are most serious indeed. In the face of the evidence presented to the Cole inquiry thus far, on the most generous of interpretations this government is guilty of negligence and incompetence. At worst, it is
guilty of a breathtaking betrayal of Australian wheat growers, the rural communities on which they depend, the Australian community and the international community of which we are a part.

As the evidence from the Cole inquiry mounts, front and square now in the docks are the Prime Minister, John Howard, the Deputy Prime Minister, Mark Vaile, the Minister for Foreign Affairs, Alexander Downer, the former Minister for Agriculture, Fisheries and Forestry, Warren Truss and the current agriculture minister, Peter McGauran. The issues at stake in the failure of the government to investigate the Australian Wheat Board over payments to the Iraq regime go to the very heart of the values that underpin the democratic processes in this great country. They go to the value of accountability. They go to the issue of transparency. They go to truth in government. And they go to the culture of cover-up and deceit in a government drunk on its own hubris, arrogant in its actions and now in complete denial of any responsibility for this scandal.

This nation’s great international reputation is being sullied by each new revelation in the Cole inquiry. Piece by piece, as the evidence mounts the Australian people are inexorably drawn to the conclusion that, from the Prime Minister down, this nation has been betrayed by a cabal of senior ministers that, pathetically, now deny any culpability for the facts and the effects of the scandal.

The effects of this scandal are enormous. They are already being felt by wheat growers around this nation. There has been direct damage to wheat growers and their families as a result of the negligence and the incompetence of this government. Australia recently lost a contract for $1 million tonnes of wheat. The price of shares in AWB, which shares are largely held by wheat growers around this nation, has declined some 30 per cent—a direct consequence of this government’s ineptitude, incompetence and negligence. The damage is being done, as we speak, to the wheat growers of this nation. It is no use the government attempting to shift the blame, as it always does in these issues, onto the opposition or onto its officials. It cannot escape its most singular responsibility in this scandal. At the heart of it is a $300 million kickback payment to an Iraqi dictator at a time when this government was spinning the line to the Australian people that this person and his regime were evil and when it was preparing to go to war.

Mr Crean—Hypocrisy.

Mr GAVAN O’CONNOR—It is hypocrisy on a grand scale. In addition, Australia’s great trading reputation has been damaged by these disclosures. The blame for this damage must now be laid fairly and squarely at the government’s feet. What might seem an extremely complex issue can be distilled to a very simple form so as to understand why the government is culpable in this scandal and why these ministers are seeking to escape responsibility for it. In the agriculture portfolio there is a seamless line of reporting from the Australian Wheat Board and its actions through the Wheat Export Authority to the minister for agriculture and, through the minister for agriculture, to his cabinet colleagues and ultimately to the Prime Minister. For the benefit of the House and for those not intimately familiar with this procedure, I will explain it yet again.

Historically, the Australian Wheat Board has handled the single desk arrangements for the export of wheat, the pooling of returns from export and the distribution of those proceeds to growers. In 1995 the Howard government privatised AWB and created a private monopoly to carry on the single desk role. So the current structure of AWB and AWB (International) is of the Howard gov-
ernment’s making. It is not the opposition’s making; it is not the wheat industry’s making. The final decision on the structure was made by the Howard government.

To monitor the role and performance of AWB and to protect the interests of growers, the government created the Wheat Export Authority. The WEA has wide-ranging powers under statute to examine records, to examine contracts in detail and in totality, to certify export details and to hold discussions on these and any other matters with officers from the AWB. In fulfilling its role, it is required by law to report to the minister in a confidential report to the parliament—that is a public document—and to wheat growers, which is also a public document.

The facts in relation to this scandal are these. Since 1999 the Wheat Export Authority has been reporting to the minister on wheat matters and on the contracts that are now the substance of this inquiry. The minister may come to the dispatch box and tell this House that the WEA reported to it in 2004 but what the minister may fail to say is that over a long period of time, and indeed since the year 2000, the WEA has been investigating, and presumably reporting to the government on, matters relating to contracts—in particular, incentives that have been paid by AWB in these contracts. In October 2000 the Wheat Export Authority specifically engaged a consultant to advise it on the technical matters relating to these contracts. Those technical matters included the transport component, which was grossly inflated and which was the channel for the kickbacks, and the other incentives.

I detailed those warnings to the House during the censure debate. They ranged from June 1999 right up to 22 October 2003. They were not just claims made by a wheat grower or by somebody in the industry or by somebody floating around the world who had a bit of information about these kickbacks. These complaints were made by the Canadian wheat authority and they were made by the US government. Yet these ministers in government did nothing about these specific inquiries.

We are not dealing with a small rural industry here. We are dealing with Australia’s great wheat industry. This is an industry that produces some 23 million tonnes of wheat a year worth some $5 billion in exports from this country. It is an industry that employs tens of thousands of Australians. The sheer size of this industry and its importance in national and regional economic terms demand the highest standards of management from the AWB and the government and its departments and statutory authority. That ultimately is its guarantee of survival in a
corrupt, competitive international marketplace.

The charges against this government are substantial. The defences that have been mounted to date can only lead any reasonable person to the conclusion that these ministers were not only ignorant but also negligent. In being negligent they have done untold damage to Australia’s wheat industry and to Australia’s wheat farmers and their families. More than that, they have sullied the great trading reputation of this country. Let it be a matter of public record now that over a long period of time, from 1999 to 2003, substantial matters were raised about kickbacks under these contracts and that ministers in this government presumably, on their own admissions, did nothing. They did nothing, as they claim, because, they say, they were ignorant of these particular matters and any wrongdoing in this scandal.

This is a scandal of momentous proportions. It is a scandal that is now damaging wheat farmers and their families across Australia, and it is doing so because of the negligence of this government. It failed to act when it should have. It failed to act responsibly in response to those matters brought before it by the Canadian wheat authority and by the American government. From 1999 to this day the minister has received reports from his own Wheat Export Authority, which examined these contracts over that period and the inland transport component. In the face of all that, the minister claims the government knew nothing. I rest my case. (Time expired)

Mr McGauran (Gippsland—Minister for Agriculture, Fisheries and Forestry) (3.48 pm)—There is one issue on which the member for Corio and I would be in strong agreement—that is, this is an issue of deep and abiding concern to grain growers and the industry at large. The evidence being elicited by the Cole inquiry is gravely disturbing in many respects. I would not wish to speculate nor prejudge any aspects of that inquiry, except to say that the evidence to a layman raises very substantial questions on a whole range of fronts.

So we agree on that. Where we disagree is on the allegations by the member for Corio and his party colleagues that this is the government’s scandal, that it is the government that is in the dock. A series of assertions, no matter how often repeated, claiming that the government is responsible for this situation do not prove the case, and certainly not in a technical or legal way. So the member for Corio has failed to substantiate his case, his allegations, his charges, and what we are left with is wild rhetoric and overexaggeration as well as a distortion of the facts.

The government takes the issues of the AWB’s alleged kickbacks and fraud upon the United Nations under the oil for food program with the utmost seriousness. As a result we established the Cole inquiry, which, better than anyone else could possibly have hoped to do, is getting to the bottom of the matter. The commission of inquiry was set up to investigate possible breaches of Australian law by three companies in relation to the United Nations oil for food program. The terms of reference, Justice Cole himself has advised us, are adequate in most respects, apart from one development during the inquiry relating to the so-called Tigris deal. What Justice Cole has sought from the Attorney-General will, I understand, be granted.

In the same way, any information that Justice Cole requires or requests from the Commonwealth is being provided. The Commonwealth is fully cooperating in every aspect with the Cole inquiry, including to the point where the Prime Minister has said that ministers would appear upon request. That is
a measure of our support for the inquiry and its efforts to get to the truth of the matter and pursue any wrongdoing. The coalition government strongly, furiously even, supported sanctions against Iraq. If any Australian minister had a notion, let alone any evidence, that there was fraud circumventing the sanctions, he or she would not have hesitated to bring it to the attention of the Prime Minister or the government. We wanted those sanctions to take effect and would not have tolerated for a moment any Australian company circumventing them to the advantage of Saddam Hussein. The government condemns bribery of public officials and acts that were in contravention of the United Nations sanctions rules whenever or wherever they occurred. The bribery of foreign officials is an offence under the Criminal Code. If the findings of the Cole inquiry indicate that Australian laws have been breached, then it would be a matter for the Australian Federal Police and the Director of Public Prosecutions.

The problem for the member for Corio is twofold. Firstly, his new development that has gripping the attention or imagination of some in the media and on the floor of the House is not new; it is old news. The Chairman of the Wheat Export Authority gave evidence on 1 November to the Senate estimates inquiry and touched on these issues, so much so that the member for Corio—to his credit as a diligent shadow minister—issued six subsequent press releases.

Mr Hartsuyker—How many?

Mr McGauran—Six! They did not receive very wide circulation and some may think they are not especially interesting, but I pay full credit to him: he was onto it; he knew about the WEA investigating aspects at least of AWB dealings in Iraq. He states on six separate occasions that the WEA fully investigated these allegations. On 4 November he said:

The WEA has statutory responsibility for overseeing AWB(I)’s operations, including all aspects of the Iraqi wheat sales ... During estimates hearings this week WEA confirmed that it had been monitoring the sales of wheat to Iraq and had examined the contracts.

On 8 November he said:

The WEA has both the legislative responsibility and the power to oversee all of AWB(I)’s activities, including its involvement in the oil for food program.

On 15 November he said:

First it set up an inquiry with terms of reference designed to hang AWB out to dry but leave government agencies and Ministers in the clear, even though all contracts had been examined by at least two agencies—the Wheat Export Authority and—DFAT. And others were along similar lines on 16 November, 17 November and 7 December, all talking about the WEA’s oversight and examination of AWB’s contracts with Iraq. It was not a state secret that the WEA had made investigations. So the smoking gun that the member for Corio promised us last night got a run—I have got to give the member for Corio credit. At this time when he needs some profile lifting it got a run. It is an old ‘un but it is a good ‘un. Sometimes a cliche particularly close to deadlines leaves a journalist with little choice, especially if they do not understand what the Wheat Export Authority is. If that is not confusing or baffling enough, there is the wheat marketing act, Australian Wheat Board Ltd, the Australian Wheat Board (International) and so on.

Nonetheless, let us strip away the political manoeuvring that the member for Corio brought to the issue and look at the substance. Where is the smoking gun? You do not need me to say there is no smoking gun. Why don’t we take the Leader of the Opposition this morning in a complete repudiation of a kind I struggle to recall previously. Has anybody got an example of a shadow minis-
ter being dumped on so quickly? One mo-
moment, it is coming to me: when the member
for Werriwa, Mark Latham, was just ap-
pointed shadow Treasurer, didn’t he raise
capital gains tax and his leader, the member
for Hotham, dumped on him the next morn-
ing? I hope my memory is good. That is what
happened here—deja vu in the Labor Party
because this morning on ABC Radio by 11
am the Leader of the Opposition said this:
‘There’s no smoking gun here.’ That is not
quite what the transcript of the night before
says—‘There is the smoking gun,’ says the
member for Corio. But I twigged there must
have been tension in the camp last night. I
thought something must have happened, be-
cause the news monitoring organisations got
an email from the Leader of the Opposition’s
office, from a Ms O’Leary, and it asked for
Gavan O’Connor’s media release to be re-
called.

**Government members**—Oh!

 Mr McGauran—What is that all
about? How come they say they want Gavan
O’Connor’s media release entitled ‘Prime
Minister wrong on AWB documents’ and
dated 8 February 2006 recalled? There is a
story there. My guess is—and I stand to be
corrected—that the Leader of the Opposition
realised that the member for Corio had em-
ployed hype, overhype and exaggerated hype
of a kind that could not be substantiated.
Thankfully, we do not have anything more
on that level today, but still this is ‘a scandal’
of ‘momentous proportions’ of a kind ‘not
seen before’ and it is ‘the first time in his-
tory’. For the wheat industry there is no un-
derestimating the worry and uncertainty that
it has caused for many grain growers who
should be at the forefront in our considera-
tions. But that is not what the member for
Corio is alleging. He is alleging it is the
worst or most momentous scandal for a gov-
ernment in history. Plainly, that is utterly
wrong.

The opposition has no smoking gun. Min-
isters have properly discharged their respon-
sibilities. The Wheat Export Authority were
diligent in their examination of the Aus-
tralian Wheat Board’s contracts with the Iraqi
authorities. I am satisfied they brought a
strong purpose to their task, but obviously it
may well be proved to have been an unsuc-
cessful task. But if the WEA were found to
have been deceived or misled, then I venture
to suggest they were not Robinson Crusoe. I
have been advised that the WEA looked at all
relevant information, that they spent a great
deal of time and that they have looked at
various records, contracts, certification of
export details and authorisation letters from
the United Nations and verified that the de-
tails were consistent with information and
data previously obtained by the WEA. But,
in any event, this is a matter for Cole. The
report to the then minister for agriculture in
October 2004 has been provided to Justice
Cole, and anything that the Cole inquiry re-
quests is of course provided. So it will be a
matter for the Cole inquiry and we should all
allow it to do its job—and we have a great
deal of confidence naturally in the thorough-
ness and integrity of that job.

The member for Corio touched on the is-
ssue of incentives and weaved a wild tale that
the fact that the WEA set out to identify
what, if any, incentives existed must have
alerted the minister several years ago to this
cloud of corruption. To set the record
straight, the WEA’s 1999-2000 annual report
sets out the approach to be used by the WEA
in identifying what, if any, incentives exist as
a result of the wheat export arrangements
and AWBI’s domestic supply chain man-
agement to deliver benefits to Australian
wheat growers. As the member for Corio
highlighted, a consultant was utilised to in-
form this assessment. Examples of the incen-
tives intended to be assessed and quoted in
the annual report include ‘Joint ventures with
mills, storage organisations, export credit breaks and staff exchanges’. The WEA’s use of the word ‘incentives’ related only to the incentives or benefits of the Australian export arrangements and not to monetary payments to third parties and overseas markets. That is a terribly important point and that is where the member for Corio stretched the truth.

Mr Hartsuyker—Surely not!

Mr McGauran—It will be something of a surprise to some members, because the member for Corio might be guilty, at least in this debate, of exaggeration and distortion but not of deliberate misleading. The WEA assessments also included incentives contained in a service agreement between AWBI and AWBL. The results of these examinations have been reported in the WEA’s annual growers reports which are publicly available.

A short time ago I said that the member for Corio had two problems: firstly, this is old news and, secondly, he has failed to substantiate his allegations. The WEA, pursuant to their legislative responsibilities under the Wheat Marketing Act, took it upon themselves to respond to press reports, not hard evidence—as far as I am aware, no evidence of any kind was supplied to them—to examine the AWB’s books. They did so over a period of time. The question of whether or not they received the degree of cooperation that would have allowed them to make a thorough and accurate assessment is best left to the Cole inquiry to rule on if that is their wont. But we do know that within certain confines the WEA made an earnest effort. The Chairman of the WEA has advised a Senate estimates committee that there was nothing untoward. He has been publicly quoted today as saying that in reporting on the investigation to the then Minister for Agriculture, Fisheries and Forestry in October 2004 he gave it a clean bill of health.

In hindsight, we would all wish that certain factors had come to light through the course of or as a result of that inquiry. It was not to be. Again, the Cole inquiry has all the material surrounding this particular matter. Any other aspect of the WEA or any other section or area of government it requires information from will be provided and has been provided. And the terms of reference are satisfactory. It is pursuing all these issues with the thoroughness and forensic skill we would all wish it to have so that we can get to the truth of the matter and so that the grain growers and the grains industry can return to a degree of certainty and surety they are sadly lacking at present.

Mr Forrest—They’re trying to sell wheat.

Mr Kelvin Thomson (Wills) (4.03 pm)—I heard an interjection from the member for Mallee, ‘They’re trying to sell wheat.’ That is exactly right. It is like this: the AWB’s task is to sell wheat. They are in the business of selling wheat. They should not have been paying anything to Alia or to anyone else. They should have been receiving money; they should not have been spending money. If you are wholesaling TVs to stores for $1,000 a pop, for example, and someone at the store says, ‘I want you to pay me $200 for each TV, but it is okay, you can bump up the invoice by another $200 and make it $1,200 per TV,’ you have to understand that something is rotten in the state of Denmark—or in this case the state of Iraq. But such is the pathetically inadequate level of scrutiny that the government claims it engaged in that it was not able to work this out.

I recently came across a mock script for South Park about this very issue which had a chorus of the United Nations, Canada, US Wheat Associates and sundry brown dogs saying to the Australian government, ‘Hey,
the AWB is paying kickbacks to Saddam,’ and the Australian government says to the chorus, ‘Okay, we will thoroughly investigate that.’ DFAT goes off to the AWB and says, ‘Sorry to bother you, but are you paying kickbacks to Saddam?’ The AWB says, ‘No’. DFAT: ‘Okay then. Thanks.’ DFAT goes to the chorus and says, ‘We’ve thoroughly investigated your outrageous allegations and you’re totally wrong and simply jealous of our marvellous AWB men. And your sheep are ugly too.’

We have had the Minister for Foreign Affairs saying that the AWB was a flagship company. It was a flagship of convenience concealing the government from the consequences of its own actions. This is a government which should have seen the red flags in relation to the AWB. I want to take the House to the two specific instances where the government profited politically from the cover-up of these issues and from the conduct of the AWB. In each of these incidents, the role of the government must be thoroughly explored, given their vested interest in the cover-up. First, in 2002, as the Prime Minister embraced George Bush’s decision to invade Iraq, Saddam Hussein responded by threatening to cancel Australian wheat contracts. If those sales had stopped at that time, it would have been very embarrassing for the Prime Minister and those opposite. We opposed the proposed invasion; so too did the majority of the Australian public. If Australian wheat farmers had lost this important market as a result of the Prime Minister’s actions, the pressure on the Howard government not to ignore the United Nations on this issue would have been massive.

The AWB personnel went to Iraq in 2002 to save the day. We now know how they did it. They greatly increased the size of the kickbacks they were paying to Saddam. But the Australian people and Labor opposition were kept in the dark about this. We were never told that there was a price to be paid for being able to have our cake and eat it too, to attack Saddam mercilessly in public and still be his preferred salesman in private, and a price to be paid for protecting Australian farmers from the consequences of this government’s foreign policy. That price was the payment of bribes which propped up the Saddam regime, breached the UN sanctions, have done enormous damage to our reputation as honest traders and, in all probability, will now bite our wheat farmers on the backside as other countries move to punish us for undermining the UN sanctions and rorting the system. But it was all covered up so the Prime Minister was able to go off to war without Australians understanding what invading Iraq really meant for our future trade relations with Iraq.

The second occasion on which the Howard government profited from the cover-up of this scandal was during the 2004 election campaign. In October, the Australian Ambassador to the United States, Michael Thawley, visited the United States senator Norm Coleman, of the powerful US Senate Permanent Subcommittee on Investigations and asked him to drop a committee investigation into alleged AWB kickbacks to Saddam Hussein’s regime in exchange for wheat contracts. Ambassador Thawley assured Senator Coleman that there was no truth in the allegations and that AWB had not been paying bribes to Saddam. The inquiry was dropped.

This was unquestionably politically beneficial to the Howard government. A United States investigation into AWB kickbacks to Saddam would have been highly embarrassing to the Howard government at any time and particularly during the 2004 election campaign. It is also certain that Ambassador Thawley was not off on a frolic of his own when he visited Senator Coleman. He was under instructions from someone in the
Howard government. The first question is: who? The second question is: how could they justify having an Australian ambassador mislead the United States Senate? On what basis, on what evidence and on what investigations did the Australian government assure the US senator that no kickbacks had been paid? We have had the AWB saying that they were the innocent victims of the deceit of Saddam Hussein. Now we have the Minister for Foreign Affairs out there suggesting that the Department of Foreign Affairs and Trade was the innocent victim of the deceit of AWB, I dare say it will not be too long before we have the Prime Minister saying he was the innocent victim of Foreign Affairs.

The truth is that this debacle has been brought to you by the same people who brought you all the lies: ‘never, ever’ for the GST; children overboard; weapons of mass destruction—

The DEPUTY SPEAKER (Hon. IR Causley)—The member for Wills will withdraw the word ‘lies’.

Mr KELVIN THOMSON—I withdraw.

Lord Acton famously said, ‘Power corrupts, and absolute power corrupts absolutely.’ The Liberal and National parties have degenerated into parties who will say and do anything to hang on to political power. It is time for the cover-up to stop. Lord Acton also said: ‘Everything secret degenerates, even the administration of justice; nothing is safe that does not show how it can bear discussion and publicity.’ He was absolutely right. Let us have no more excuses. Let us have no more of this sleazy defence that corruption is a way of life in the Middle East—that everyone does it and it is just the way business is done.

First, it is illegal to bribe foreign officials. It is an express breach of Australian law. Second, the AWB kickbacks were an express breach of the UN sanctions. The whole idea of the oil for food program was to stop money from going into Saddam’s pocket. AWB did more than any other company in the world to circumvent that program. Thirdly, we expressly denied we were doing it. To anyone who asked—to the Canadians, to the UN, to US senators—we looked them in the eye and said, ‘We are not paying any kickbacks to Iraq.’ So let us show some standards.

I mentioned earlier today why I thought the position of the AWB’s CEO, Mr Lindberg, was untenable, but other heads must roll at the AWB as well. It is laughable that the directors have put their hands up for a substantial pay rise. At $4.64 a share on 6 February, AWB shares have lost 23 per cent of their value since the Cole commission commenced. Indeed, the AWB share price went up just before the Cole commission started. There were assurances given to the market by AWB management that AWB had done nothing wrong. This seems to me to be clearly a case of misleading the Stock Exchange. Is the ASX doing anything about this? Is ASIC doing anything about this?

Indeed, the problems of AWB may not finish there. Was the former Iraqi government, led by Saddam Hussein, a terrorist organisation? The Prime Minister, Minister Downer and others certainly wanted us to believe that it was. If so, did AWB breach the government’s antiterrorism legislation in paying kickbacks? Beyond this, Ministers Downer and Vaile and the Prime Minister himself have to explain how the biggest corruption scandal in Australia’s history could have been going on right under their noses without their being aware of it.

Is it incompetence of an unprecedented order, wilfully turning a blind eye, ‘don’t ask, don’t tell’ or a massive cover-up? That is why we need the terms of reference of the Cole commission widened. We need real
answers to our questions. It is time for the cover-ups to stop. It is time to extend the Cole commission’s terms of reference to cover the conduct of government ministers and officials and it is time for ministers who either do not understand ethics and integrity and trade and foreign policy or are too incompetent to see that honesty prevails throughout their areas of portfolio responsibility to make way for ministers who can.

Dr SOUTHCOTT (Boothby) (4.13 pm)—There is a tendency to see the activities of AWB in isolation. They were revealed as part of the Volcker inquiry. The inquiry was chaired by the former Chairman of the Federal Reserve, Paul Volcker. It sat from April 2004 to October 2005. When he reported he found—and the findings were shocking—that more than 2,000 companies had been involved in illicit payments. He found that 2,220 companies involved worldwide had paid kickbacks to Iraq in the form of inland transportation fees, after sales service fees or both. When the Volcker inquiry looked at the major food companies involved, to give you an idea of some of the other food companies that were involved, the five largest ones were the AWB, the Chayaporn Rice Co. Ltd. of Thailand; the Holding Co. for Food Industries of Egypt; the Vietnam Northern Food Corporation; and the Vietnam Dairy Products Joint Stock Co.

The Volcker inquiry made findings in relation to the escrow bank, the Banque Nationale de Paris. It made findings that there had been a lack of oversight from the United Nations secretariat, from member states of the United Nations Security Council and from United Nations contractors as well. He found that companies, other individuals and entities which paid the illicit kickbacks came from some 66 member states. So, while the Volcker inquiry did show a complete lack of oversight from a whole range of institutions, the Australian government has made the proper response by establishing the Cole inquiry.

The Cole inquiry is being presided over by Terrence Cole QC, an eminent lawyer—Justice Cole—and the inquiry is established under the Royal Commissions Act. The inquiry is able to determine whether any of the companies that were mentioned in the final Volcker report breached any federal, state or territory law. In the debate today we have heard all sorts of over-the-top claims. I lost count at over a dozen different claims of malfeasance and so on. The Cole inquiry is well placed to examine and determine what actually happened. Justice Cole has already asked for an extension of the terms of reference. He has said that he is quite prepared to ask for any further terms of reference if they are required. He is able to make findings of fact in terms of what DFAT knew. Ministers have said that they are prepared to go in front of the Cole inquiry. It is important that we do not prejudge the findings of the Cole inquiry. They will be available in late March. That is less than two months time.

Part of the problem here is that there is no real coherent Labor Party policy on Iraq. I have seen the Labor Party go through various contortions on Iraq. The oil for food program ran from 1996 to 2003 and the period in which kickbacks were paid ran from 1999 to 2003. What ended these kickbacks was the removal of Saddam Hussein from power. When people look back on this period in the future they will remember that in March 2003 Saddam Hussein was removed from power. They will remember that later in 2003 he was actually captured by coalition forces in Iraq. During this period it was the Australian Labor Party that was opposed to removing Saddam Hussein from power. The Labor Party has previously championed the old ‘troops home by Christmas’, but that did not work so well. It has had various contortions. The member for Griffith—I have to hand it
to him—can talk and talk and talk, but it is really hard to find any sort of coherent thread in the Labor Party's policy on Iraq.

The specific claims that have been made in relation to the Wheat Export Authority are not new. They relate to the Chairman of the Wheat Export Authority, Mr Tim Besley, who appeared before a Senate estimates committee on 1 November 2005. At that time he said that they had done a check of the details of the contracts for the sale of wheat to Iraq and nothing untoward had emerged from that check. Yesterday he wrote to the Chair of the Senate Rural and Regional Affairs and Transport Committee to clarify part of that testimony. But the important thing here again is that all of the papers and all of the correspondence relating to the Wheat Export Authority have been provided to the Cole commission. Again, the Cole commission is well placed to make any findings. This is old news and the papers have gone to Cole.

There have been a lot of claims made in the last couple of weeks by the Leader of the Opposition, by the member for Griffith and, more recently, by the member for Corio about the AWB, about oil for food and about matters which have been correctly investigated by the Cole inquiry. But there has been nothing in the way of evidence to support these over-the-top claims. There now seems to be a second charge, which is to say: 'You should have looked at this. You should have investigated this further.'

Having been in parliament now for almost 10 years I have seen that, when looking for an explanation as to why it has not been able to win elections during this period, the Labor Party’s preference has always been to go for the cover-up over more substantial deficiencies. We have heard a few of them. There is the old favourite: 'children overboard'. That is why it lost the 2001 election. ‘Never, ever’—that is probably why it lost the 1998 election. We heard in the previous speech that this matter should have been revealed during the 2004 election. What this really demonstrates is that there is a serious disconnect between the issues that the Labor Party is interested in and the sorts of issues that mums and dads out in the electorate are actually interested in. The Labor Party seems to be this generation who were brought up on Watergate: the only way to bring down a government is that there must have been a cover-up; there is no other possible explanation. It loves a cover-up. I think the member for Hotham is one of the finest exponents of the ‘Who said what when and when did they say it, and you said this on this date but what about this?’ and so on. In the end, I find in my own electorate that I do not get a lot of mail on an issue like this.

We have, appropriately, established the Cole inquiry. We should not prejudge the Cole inquiry. The Cole inquiry is more than capable of getting to the bottom of what the AWB knew and what the Department of Foreign Affairs and Trade knew. As I said, ministers have said that they are happy to appear before the Cole inquiry. That should be adequate.

This government has managed the economy well. It has managed national security well. The Labor Party, on Iraq, has not covered itself with glory at all. The Labor Party opposed removing Saddam Hussein from power. The thing that stopped these kickbacks and breaches of the oil for food program was the removal of Saddam Hussein. That was something that this government supported; it was something that the Australian Labor Party opposed. (Time expired)

The DEPUTY SPEAKER (Hon. IR Causley)—The discussion is now concluded.
COMMITTEES
Membership

The DEPUTY SPEAKER (Hon. IR Causley)—Mr Speaker has received advice from the Government Whip nominating members to be members of certain committees.

Mr BALDWIN (Paterson—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (4.23 pm)—by leave—I move:
That:
(1) Mr Robb and Mr Turnbull be discharged from the Standing Committee on Economics, Finance and Public Administration and that, in their places, Mr Keenan and Mr Secker be appointed members of the committee;
(2) Mr Turnbull be discharged from the Standing Committee on Environment and Heritage and that, in his place, Mr Entsch be appointed a member of the committee;
(3) Mr Turnbull be discharged from the Standing Committee on Health and Ageing and that, in his place, Mr Entsch be appointed a member of the committee;
(4) Mr Baldwin be discharged from the House Committee and that, in his place, Mr Randall be appointed a member of the committee;
(5) Mr Turnbull be discharged from the Standing Committee on Legal and Constitutional Affairs and that, in his place, Mr M. D. Ferguson be appointed a member of the committee;
(6) Mr Baldwin be discharged from the Committee of Members’ Interests and that, in his place, Mr Secker be appointed a member of the committee;
(7) Mr Baldwin be discharged from the Committee of Privileges and that, in his place, Mr Randall be appointed a member of the committee, and
(8) Mr Turnbull be discharged from the Joint Standing Committee on Foreign Affairs, Defence and Trade and that, in his place, Dr Southcott be appointed a member of the committee.

Question agreed to.

FINANCIAL FRAMEWORK

LEGISLATION AMENDMENT BILL (No. 2) 2005

Report from Main Committee
Bill returned from Main Committee without amendment, appropriation message having been reported; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr BALDWIN (Paterson—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (4.24 pm)—by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

MINISTERS OF STATE AMENDMENT BILL 2005

Second Reading

Debate resumed.

That this bill be now read a second time.

Mr KELVIN THOMSON (Wills) (4.24 pm)—Prior to question time I was speaking to my amendment that ‘the House condemns the government for allowing ministerial standards and accountability to decline at the same time as ministerial salaries are increasing’. I had mentioned to the House in some detail my concerns about the ministerial standards that were being applied to the AWB wheat export scandal. I also mentioned earlier today, in another place, the lack of government standards and accountability concerning industrial relations advertising and the way the government’s industrial relations advertising contract—a cool $55 million—happened to go to the Liberal Party’s...
advertiser, Dewey Horton, in particular Mr Ted Horton.

Time will prevent me from going through a more comprehensive list of shortcomings and failures in standards of government accountability and administration. But I do want to mention one other example, and that concerns the economic consulting firm ACIL Tasman, which has been, as the Financial Review described it, embroiled in a cybercrime scandal.

We had the departmental secretary for the Department of Health and Ageing, Jane Halton, tell the Senate estimates committee that the department was currently considering what action it should take concerning contracts it had with ACIL Tasman following criminal charges being laid against the company’s former chief executive, former director and a former employee for industrial espionage.

At the time the departmental secretary was talking to the Senate estimates committee, the Department of Health and Ageing, the Minister for Health and Ageing, had taken no action whatsoever and ACIL Tasman remained on the health department’s panel and continued to provide consulting services.

I have to point out, to be fair to the government, that this is not the position that has been taken by the Office of the Australian Safety and Compensation Council, which sought legal advice in early 2004 immediately on learning of the ACIL Tasman investigation—indeed, they stopped using ACIL Tasman services. So it was a matter of some surprise and concern to me that the Minister for Health and Ageing had not shown the same sort of leadership and had not taken the same sort of action as had been taken by the Office of the Australian Safety and Compensation Council.

It is regrettable that ministerial standards have been falling in this place over the past 10 years. The Prime Minister came to office armed with a promise to lift ministerial standards of accountability and he introduced a code of conduct. Unfortunately, when he applied that code of conduct there were ministers and parliamentary secretaries who were simply falling over like ninepins. This caused the Prime Minister to take fright and, ever since, he has vigorously hung onto ministers, whatever their sins and indiscretions—although I notice that, quietly, with some ministers, like the member for Dawson, he has taken action against them at a later date.

Standards of ministerial accountability have been progressively falling in this place. This is to the country’s detriment. It will certainly be to our detriment in relation to the AWB scandal, where there will be an international price to be paid for the corruption that has gone on, for the kickbacks that have gone on, for the cover-up that has gone on. It is regrettable that these standards of accountability have been declining. I urge the House to support my amendment and I urge the House to urge the government to improve its standards of ministerial accountability and performance.

The SPEAKER—Is the amendment seconded?

Mr Burke—I second the amendment and reserve my right to speak.

Mr JOHNSON (Ryan) (4.29 pm)—I am pleased to speak in the House of Representatives of this parliament today on the Ministers of State Amendment Bill 2005. At the very outset, I completely reject and repudiate in the strongest language the words of the speaker preceding me, the shadow minister, the member for Wills, and his seconder, the member for Watson. There is no way in the world that this side of the parliament will support any second reading amendment that
has been put forward by the shadow minister. This bill is important.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

Climate Change

Mr MURPHY (Lowe) (4.30 pm)—We have all been moved by the images of the effects of the disastrous hurricane in the southern United States last year. Once again, the forecasts of climate scientists have been verified by actual events, yet despite all the evidence Australian and United States government officials refuse to acknowledge any connection between increasingly severe climatic catastrophes and global warming. While ministers of the Howard government may choose to ignore home-grown critics such as me, they should at least take notice of the statements by Germany’s environment minister, Juergen Trittin. He said in part:

... the American President closes his eyes to the economic and human damage that are inflicted on his country and the world economy by natural disasters like Hurricane Katrina through neglected climate protection.

What if a similar disaster befell Northern Australia? Are we prepared for an evacuation of Cairns or Darwin or, in the worst case, Brisbane? Would the response be as well organised as that of the Whitlam government following Cyclone Tracy in 1974? I doubt that the Howard government has the capacity.

One of the few remaining arguments against the reality of global warming has been shown to be based on incorrect measurements and miscalculations. In the 11 August edition of the journal Science, two independent studies show errors in the calculations that supposedly show that global warming is not happening. Apparently, John Christy of the University of Alabama, the author of the defective study, made fundamental errors in interpreting the satellite data that he relied upon for his conclusions. Christy now admits his mistakes and accepts the earth is warming. In another paper, Ben Santer of the Lawrence Livermore National Laboratory in California reported that 19 independent climate models all show that the earth is currently warming at a rate of between 1.5 and six degrees Celsius per century. Even the lower figure of 1.5 degrees is associated with dangerous climate changes, while the six-degree figure will lead to catastrophic disruptions to our weather systems.

The Prime Minister argues that further expensive intervention in Iraq is necessary because that country is at a political ‘tipping point’, yet when climate scientists warn that the world’s climate is at a far more dangerous climatic ‘tipping point’ their views are either ignored or discounted as fearmongering. Is the Prime Minister aware of the findings announced at the Stabilisation 2005 climate science meeting held at Exeter in England last February? Participants at that meeting warned that the risks of disastrous changes to the sea level and to weather systems are more likely than previously thought and that we are rapidly approaching a number of climatic ‘tipping points’. The most concerning was the possibility of a runaway meltdown of the Greenland ice sheet that could trigger irreversible climate change and would raise sea levels by as much as seven metres. The world could reach this particular ‘tipping point’ within a decade or two unless drastic steps are taken to greatly reduce carbon dioxide emissions.

I have spoken previously about various practical and affordable measures using existing technology that would significantly reduce carbon dioxide emissions. Today, let me mention another good example. We are
all aware of the rising price of petrol, which the petroleum pundits have been predicting for at least 10 years. When the Prime Minister complains that there is nothing that he can do about the rising price of fuel, he ignores the fact that his government has refused to promulgate rational energy policies that could have significantly reduced the impact of these predicted fuel price increases.

It is a fact that the energy efficiency of conventional vehicles is less than 20 per cent and that the fuel-wasting engines in today’s cars and trucks produce about one quarter of the carbon dioxide released in Australia from fossil fuels. Despite their price, the vehicles with the fastest growing sales in the stalling car market are high-efficiency hybrids—cars that have fuel economies at least double those of vehicles fitted with conventional internal combustion engines. Toyota and Honda have both said that the reason that their hybrid vehicles are relatively expensive is the problem of an economy of scale. I would suggest that an additional problem in Australia is the $500 million subsidy that the government hands out each year to the purchasers of gas-guzzling four-wheel drives. It is imperative that the government acts to improve the miserable fuel efficiency of vehicles made in Australia by requiring manufacturers to quickly adopt modern technology such as hybrid engines.

Unless the government is prepared to act immediately, we have little chance of reducing either the growing emissions of carbon dioxide that is driving global warming or the growing fuel bills that are an increasing burden for the families of Australia. I conclude by asking: is there any good reason why this quite reasonable initiative should not become part of the Australian government’s policy response to the threat of climate change?

Senator Kerry Nettle

Mr NEVILLE (Hinkler) (4.35 pm)—This morning in the other chamber I had something to say about the T-shirt worn by Australian Greens senator Kerry Nettle which said: ‘Mr Abbott get your rosaries off my ovaries’. I find that unnecessary, offensive and bordering on bigoted sectarianism—using a man’s faith to denigrate him as part of this debate. I noticed also at the bottom of the T-shirt that it had the endorsement of YWCA. I thought to myself, ‘That can’t possibly be the Young Women’s Christian Association.’ To my utter surprise I found out later in the day that it was. The Victorian body of the YWCA claims it is a non-religious organisation—a funny thing when you have the word ‘Christian’ in your title. Nevertheless, that is the case.

The offensive T-shirt worn by Senator Kerry Nettle is being sold by the Victorian division of the YWCA and is available on the internet for $25. That makes it even more offensive to me. I contacted the national body of YWCA to find that it does stand for Young Women’s Christian Association and that the national body has as part of its charter:

... a women’s membership organisation nourished by its roots in the Christian faith and sustained by the richness of many beliefs and values ...

Having said that, I ask: how could Senator Nettle, or the organisation sponsoring that T-shirt, make such an offensive attack on two of the Christian religions to whom the rosary is important? I found something else unusual. This organisation that feels so strongly about RU486—according to the secretariat of the Senate Community Affairs Legislation Committee, inquiry—did not bother to make a submission to the recent inquiry into the Therapeutic Goods Amendment (Repeal of Ministerial Responsibility for Approval of RU486) Bill 2005. One would think, had
they done so, that that would have been a sensible contribution to the public debate. They chose to do it the other way. They chose to use the opportunity to denigrate a member of this House and, by extension, any other Catholics or high Anglicans who might think the rosary, as a prayer to the mother of God, is fairly important.

Recently, the Arab world—the Muslim world—has been in uproar over a tasteless attack in the form of a cartoon of someone representing Mohammed, as well those people might be offended. I think Christians in general, and Catholics in particular, would be offended to no end by that T-shirt. The fact that a member of parliament would wear it and go on television last night literally giggling about it—and we read and saw it in the paper again this morning—just appals me. This is an important debate and it deserves better.

The Greens claim to be the protectors of the environment, ecology and human life. They will throw themselves in front of front-loaders and chain themselves to trees but, for the most fundamental part of life—the early form of a human embryo—they have no regard. They trivialise it and they would have it treated with such low disdain. I am appalled, and I call on Senator Nettle to apologise to this parliament and to the women of Australia.

University of Wollongong: Professor Gerard Sutton

Ms BIRD (Cunningham) (4.40 pm)—I take the opportunity in the adjournment debate today to acknowledge a significant achievement for my region in the person of the Vice-Chancellor of the University of Wollongong, Professor Gerard Sutton, who, as of 1 February, ascended to the head of the Australian Vice-Chancellors Committee. I want to acknowledge that Professor Sutton—who I have worked with for many years, not directly as an employee of the university but on general university issues in my region—is a person of great calibre, and I believe he will bring a great deal of experience and insight into his role as the head of the AVCC for 2006-07.

The University of Wollongong, I think, exemplifies the Wollongong motto of the ‘City of Innovation’. The university, under Professor Sutton’s leadership, has consistently won awards as the university of the year on many occasions but also for other things. I would like to highlight two of those which I think directly reflect on the type of leadership that Professor Sutton has offered. I do so because, having been a teacher in the state high schools and at the TAFE facilities, I am more than conscious, as anybody would be, that the calibre and quality of an educational facility is very much a reflection of the person who heads that facility.

The University of Wollongong in 2005 won the Prime Minister’s Employer of the Year Award for the higher education category. That particular award recognises Australian businesses and organisations which have made a strong commitment to employing people with disabilities. The university, under Ms Robyn Weekes, who has carriage of that responsibility at the university, has had a long-term commitment to equity, including for people with disabilities. The university ensures that, across all salary levels at the university, people with disabilities have the capacity and encouragement to aspire to those sorts of positions and indeed in this case to achieve them. That was a tremendous outcome for the university and is a great reflection of the environment which Professor Sutton creates at the university.

The other thing that I want to acknowledge is that, in 2005, Professor Julie Steele of the University of Wollongong was named the New South Wales Telstra businesswoman
of the year. Professor Julie Steele, who is the head of the Biomechanics Research Laboratory at the University of Wollongong, recently attended a businesswomen’s luncheon as a guest speaker, at which I was able to participate. She made it clear that the University of Wollongong—when she was, in her own words, ‘a cheeky young woman in the academic world’ and had applied for a fairly senior position—was the only university to give her an interview and to subsequently employ her. That has certainly paid off for the university.

I think these examples are important. I know that Professor Sutton will have a great deal of challenge in his new role as the head of the Australian Vice-Chancellors Committee. I am sure that he will perform in that role with great credit. I put no words in his mouth, but I am sure that the body that he now heads will have many challenges in lobbying the federal government on university funding and such issues. I know that Professor Sutton will represent all the universities in a forthright and honest way to the government, as indeed he has always been forthright and honest with me when I have raised issues with him.

More importantly, what I want to acknowledge today is that I think he brings to the role a true understanding of the value of innovation in education, the true value of looking for talent and ability when it is not always apparent and a true talent for giving an opportunity to people who may normally have been locked out because of old traditional processes, particularly in the world of academia. Whilst that has been reflected at Wollongong University, to its great credit, over recent years, I am sure that bringing that perspective to the national body will also ensure that that becomes a national priority and that we see great results across universities all over Australia as a result of that type of leadership. I congratulate Professor Gerard Sutton, and I also congratulate his wife, Sylvia, who I know is a very important part of the partnership, on that appointment. (Time expired)

Deakin Electorate: Australia Day Awards

Mr BARRESI (Deakin) (4.45 pm)—During the summer break from parliament many of us went back to our electorates and took the time to reconnect with our family, friends, the electorate and in most cases took what some of us believe was a well earned break. But while we were doing this, a number of Australians were once again dropping all personal and work commitments to fight bushfires, risking life, saving lives and delivering welfare support to the needy and disadvantaged in our community. Essentially, thousands of Australians were doing what they do best: volunteering their services for the benefit of our community.

It is because of these people and tens of thousands of others like them that nine years ago I introduced the Deakin Community Australia Day Awards—awards which seek to acknowledge the hardest working volunteers and community leaders in my electorate. On 25 January, as part of the Australia Day celebrations—I always do it a day early so they can enjoy the Australia Day activities the next day—I got another chance to pay my respects to some of these unsung heroes and to thank them for really making a difference to the lives of others. These heroes would otherwise be ignored through the regular Australia Day honours or through the local council’s often very selective acknowledgment of local heroes. The Deakin Community Australia Day Awards go some way to recognising the great efforts of these unsung heroes, without whom this country and the community of Deakin would be a mere shadow of what it is today.

The people we honoured that day came from a diverse range of backgrounds and
ages. Yet they each share the same values of compassion, hard work and a tireless attitude for community involvement. They were people such as Victoria Lopez, a promising 20-year-old who has started her own group in eastern Melbourne called Hearts4Christ which engages in many social activities aimed at teaching valuable life skills for young people aged between 13 and 18, and hardworking community group leaders such as Marymae Trench who, during her years with the Reach Out for Kids program, has sought to expand and improve the standard of free services for Melbourne’s youth. I am pleased and honoured to be a member of the committee of management of Reach Out for Kids.

Then there are those, such as Angela Fitzpatrick, who struggle themselves and still find time to help others. Angela struggles daily with the rigours of multiple sclerosis, yet she is able to find the courage to assist other people gain access to local medical and care services to overcome their own disadvantage. Margaret Priestly is a great community volunteer who works for the Koonung cottage in my electorate. She has been instrumental in providing support services for families with children and been a rock of support to many in need. There is long-time resident Terry McDonald, with ongoing leadership roles in charitable organisations in Deakin and in surrounding Melbourne, from Reach Out for Kids to the Lord Mayor’s charitable trust.

This is only a sample of the 34 recipients I was honoured to meet and acknowledge that day—34 heroes in the eastern suburbs of Melbourne who, as I said, would otherwise not be recognised for their great deeds. The Deakin Community Australia Day Award winners know what strong communities mean and how to make them stronger. They are the backbone of the area, acting as a rock of support. And they are often the first to lend a helping hand to those in need.

The Deakin Community Australia Day Awards are, as I say each year, not meant to be rewards for their work but simply an acknowledgment of their service and an opportunity for me as their representative to say thank you. In most cases, they are very reluctant recipients of the awards because, as they say, they do not do it for the reward; they do it for the love of it and for the altruistic values which they uphold. I started these awards to bring attention to the often thankless tasks of these people. I know that through their efforts they inspire others. Our children need inspiration. They need role models and mentors. They need people to look up to, and these award winners, more often than not, come from their own backyard—perhaps their mum, their dad, their uncle, their neighbour—rather than some hero that they see on the television. It was a great honour to meet these people and to give them their awards. I seek permission to incorporate into Hansard a table of the recipients and the deeds and activities for which they were honoured. (Time expired)

Leave granted.

The table read as follows—

<table>
<thead>
<tr>
<th>Name</th>
<th>Suburb</th>
<th>Organisation</th>
<th>Reason for Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edward Arrowsmith</td>
<td>Mitcham</td>
<td>Halliday Pk Ctee.</td>
<td>President for 3 yrs, and continues to maintain gardens</td>
</tr>
<tr>
<td>Valda Atkinson</td>
<td>Heathmont</td>
<td>Balmoral H/and Dancers</td>
<td>Founder and Ctee mbr 50 yrs, encourages social interaction and travels widely with group</td>
</tr>
</tbody>
</table>

CHAMBER
<table>
<thead>
<tr>
<th>Name</th>
<th>Suburb</th>
<th>Organisation</th>
<th>Reason for Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mavis Barkas</td>
<td>Ringwood</td>
<td>Ringwood Sen. Citz.</td>
<td>Pres. R/wood Sen. Citz. For 4 yrs provides social outlet for single aged people, also involved with Salvo’s shop</td>
</tr>
<tr>
<td>Nan Brache</td>
<td>Ringwood Nth</td>
<td>Ringwood War Widows</td>
<td>Assists other single older people interact through groups, and contributes to local radio through her poetry readings.</td>
</tr>
<tr>
<td>Kerry Cardwell</td>
<td>Forest Hill</td>
<td>Maroondah Guide Ldr</td>
<td>Been active Guides mbr and leader for over 27yrs. Helps girls aged 11-15 develop useful skills.</td>
</tr>
<tr>
<td>Patrick Dunlevie</td>
<td>Heathmont</td>
<td>Ringwood RSL</td>
<td>Former Pensions officer, looked after the welfare of mbrs and their families</td>
</tr>
<tr>
<td>Angela Fitzpatrick</td>
<td>Ringwood</td>
<td>EACH</td>
<td>Battles with MS and contributes long hours to helping people gain access to local health services.</td>
</tr>
<tr>
<td>Paula Greeves</td>
<td>Doncaster</td>
<td>B/burn Nth bowls Club</td>
<td>Fmr Pres. And current Secretary, helped raise funds &amp; coordinated events</td>
</tr>
<tr>
<td>Marshall Hardwick</td>
<td>Ringwood Nth</td>
<td>Maroondah Scout Ldr</td>
<td>Current Pres, helps select talented students for most of Australia for places at Trinity College London Music School</td>
</tr>
<tr>
<td>Anthony Hodges</td>
<td>Wheelers Hill</td>
<td>Maroondah Symphony Orchestra</td>
<td>Mbr of Church community for 50 yrs, organist for 36yrs. Organised travel groups for underprivileged mbrs of community</td>
</tr>
<tr>
<td>David Ingamells</td>
<td>Heathmont</td>
<td>Heathmont Uniting Church</td>
<td>Co-Chairperson of action group actively defends the interests of local residents.</td>
</tr>
<tr>
<td>Elwynne Kift</td>
<td>Mitcham</td>
<td>HRRAG</td>
<td>Started a bicentennial planting project in Blackburn to promote the growth of native plants.</td>
</tr>
<tr>
<td>Alan Lodge</td>
<td>Blackburn</td>
<td>B/Burn Creeklands</td>
<td>Founder and chair of Hearts 4 Christ an outer eastern youth group, is only 20yrs.</td>
</tr>
<tr>
<td>Terry MacDonald</td>
<td>Heathmont</td>
<td>ROK</td>
<td>Fmr Pres. And mbr for over 10 yrs, actively support local charities and supports groups in leadership roles.</td>
</tr>
<tr>
<td>Wendy Macklin</td>
<td>Donvale</td>
<td>Disabled Guides</td>
<td>Specialist scout leader for a grp with disabilities organises social events aimed at improving awareness of people with disabilities</td>
</tr>
<tr>
<td>Pat McCully</td>
<td>Vermont</td>
<td>Maroondah Guides</td>
<td>Grp ldr for past 23 yrs, co-ordinated workshops on leadership and is enthusiastic about giving young girls usable skills.</td>
</tr>
<tr>
<td>Betty McDonald</td>
<td>Heathmont</td>
<td>H/Mont Scouts</td>
<td>Contributions to local church groups for nearly 40 yrs, taught Sunday schools and worked in charity shops</td>
</tr>
<tr>
<td>Mimma Mafrici</td>
<td>Nth Ringwood</td>
<td>Maroondah Italian Citz assoc.</td>
<td>Secretary of Maroondah Italian Citz assoc. Helps local Italian resident integrate more fully and offers a translation service.</td>
</tr>
<tr>
<td>Name</td>
<td>Suburb</td>
<td>Organisation</td>
<td>Reason for Award</td>
</tr>
<tr>
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<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Margaret Priestley</td>
<td>Blackburn</td>
<td>Koonung Cottage</td>
<td>Voluntary and leadership role at Koonung Cottage, for 10 yrs. helped set up support services.</td>
</tr>
<tr>
<td>Julie Roberts</td>
<td>Donvale</td>
<td>Louise Multicultural Ctr.</td>
<td>22 yrs as a volunteer, lifetime mbr, helped people integrate and access language services.</td>
</tr>
<tr>
<td>Ray Smith</td>
<td>Forest Hill</td>
<td>Rotary F. Hill</td>
<td>Former School Principal, was fundraising mng for Rotary and raised funds for services.</td>
</tr>
<tr>
<td>Nigel Steadman</td>
<td>Doncaster East</td>
<td>Whitehorse Scouts</td>
<td>District Commissioner W/Horse scouts</td>
</tr>
<tr>
<td>Lauris Stirling</td>
<td>Donvale</td>
<td>Ringwood Scouts Grp</td>
<td>Cub Scout leader for 13 yrs, organised 40th anniversary celebrations</td>
</tr>
<tr>
<td>Doug Terrill</td>
<td>Mitcham</td>
<td>Various Sports groups</td>
<td>Leadership role and commitment to local sports, netball and tennis</td>
</tr>
<tr>
<td>Sarah Thurlow</td>
<td>Ferntree Gully</td>
<td>Maroondah Guides</td>
<td>Group Ldr and organises leadership forums to promote community involvement.</td>
</tr>
<tr>
<td>Marymae Trench</td>
<td>Warrandyte</td>
<td>ROK</td>
<td>Pres. ROK for past 2 yrs, and heads up fundraising to fund services for youth</td>
</tr>
<tr>
<td>Bruce Venville</td>
<td>Mitcham</td>
<td>Whitehorse Scouts</td>
<td>District Scout Ldr Whitehorse &amp; assisted East. Volunteer Network</td>
</tr>
<tr>
<td>John Vickers</td>
<td>Blackburn</td>
<td>Rotary Nunawading</td>
<td>Mbr for 27 yrs, set up vocational service committees and was fundraising coordinator.</td>
</tr>
<tr>
<td>Robin Watterson</td>
<td>Heathmont</td>
<td>Ringwood RSL</td>
<td>Bar Mgr R/Wood RSL many yrs, bought back ode to ANZACS</td>
</tr>
<tr>
<td>Athol Wells</td>
<td>Balwyn</td>
<td>B/Burn RSL</td>
<td>8 yrs as pres. And committee mbr, also a leading mbr of Probus club</td>
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<td>Dorothy Whitehead</td>
<td>Ringwood</td>
<td>R/wood RSL War Widows</td>
<td>Ldr of War Widows support network, organises social activities</td>
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**Israel-Palestine Visit**

**Oil for Food Program**

Mr PRICE (Chifley) (4.50 pm)—Last year, in the company of some other Labor federal members of parliament, I was pleased to visit Israel and the Palestinian Authority. There was lots to see there: lots that gave me great hope and some sadness. We went to see the security fence or wall, as it is called, that separates Israel from the Palestinian Authority. I must say that it is really sad that there is such a physical separation of the two, but I understand the security reasons behind why it has been done. The fact is that it has slowed the rate of suicide bombers.

Since the start of the intifada, 144 suicide bombings have been carried out against Israeli targets in Israel and the territories. These attacks killed 515 people, including Israeli civilians and soldiers, foreigners and Palestinians and wounded more than 3,300 people. In fact, we went to the hospital where currently Prime Minister Sharon is recovering from his massive stroke to look at that hospital in general but more specifically to look at its emergency procedures for handling disasters, including suicide bombings. While we were at the hospital, we were informed that there had been an alert, but that alert, fortunately, did not result in a bombing.
I think the most confronting thing I was involved in there was talking to the father, who was formerly an Australian citizen, of a teenage suicide bombing victim. She was obviously a terrific girl, and I felt that he really had not got over the loss of his daughter. But parents never do, and to lose a child in a suicide attack must be very, very hard. At the time, I was completely unaware of this wheat for bullets scandal and the fact that the AWB, through Alia, a Jordanian trucking company without any trucks, was depositing money in the Rafidain Bank of Iraq and that this was the same bank that was paying $US25,000 to every family of a suicide bomber. I have always felt intensely proud to be Australian, and never more so than when travelling overseas as a representative of our country. To be frank with you, I do not know what I would have said to that father had I known of this scandal. I am deeply embarrassed and shamed that Australian money has through various means apparently ended up in the same account that pays suicide bombers.

It is true that there is the Cole commission, and I am sure that there will be some unhappy findings made against the AWB, but the commission cannot find against any diplomat, any member of the Department of Foreign Affairs and Trade or any minister about these things. I think that this is a great shame. I say to Australian parliamentarians who may again be hosted in Israel that I sincerely hope that we have acted honourably and decently to get to the bottom of this scandal, because it shames us all. It makes me feel no better being a member of the opposition rather than the government. I would sincerely like to see the Cole commission of inquiry’s terms extended. I want very much to be able to look an Israeli father in the eye and say, ‘We may have done wrong, but we fully investigated it and brought to account those that needed to be.’

Mr BRUCE SCOTT (Maranoa) (4.54 pm)—I rise this afternoon in the adjournment debate to highlight an important initiative of the ABC to give young people living in regional Australia a voice. This wonderful program is known as Heywire. Students aged between 16 and 22 who live or work in regional or rural Australia submit engaging real-life stories about their experiences in these communities. Last year some 800 applications were received at the ABC about a range of issues that matter to these young people. The ABC is really giving regional youth a voice through this program. I would also like to add at this point that this program has been assisted by sponsorship from the federal government and many of our federal government departments.

One voice being heard is that of a young disabled girl from a town called Wandoan, which is on the eastern side of my large outback Queensland electorate. This week Yulanna Wright joined the other 39 Heywire winners from last year for a Youth Issues Forum at the Australian Institute of Sport. You, Mr Speaker, welcomed them to question time this week, which I know they appreciated. I was privileged to meet young Yulanna yesterday when the group of winners came to Parliament House.

Before I continue, I would like to talk about Yulanna and her story. As a three-year-old, Yulanna contracted meningococcal. For a month she underwent a series of tests and had seven needles each day. Soon she was transferred to a hospital in Brisbane where her left leg was amputated below the knee. She was given a wheelchair, and a month after the operation she was fitted with an artificial leg. Finally, after three months of being in hospitals, Yulanna was ready to go home. Growing up in Wandoan was made all
the easier for Yulanna because the local people and the Taroom Shire Council made the whole town wheelchair friendly. Ramps were installed at the school and other public places around the town.

After chatting with her, it is clear she has not let her disability hinder her success. In fact, Yulanna, with a passion for swimming and with much hard work and dedication at swimming training, represented Queensland and broke several national butterfly records. Yulanna also spoke to me about plans the local youth group have to design and build a skate park in Wandoan. Not only would young kids have somewhere to meet and have fun but it would be another attraction for the townspeople—the young people particularly—and for tourists.

Yulanna has many dreams, including having aspirations to get into the child-care industry and eventually take up photography. However, since moving away from Wandoan for study purposes, Yulanna has had to deal with minimal wheelchair access. She sums up her dilemma very well in the conclusion of her Heywire entry:

Toowoomba is my home now and it’s a place I can make my dreams happen for me. When I came here, I brought with me my sense of humour and positive attitude to life, but the one thing I didn’t bring was wheelchair access. In the 21st century, councils are supposed to be aware of people with disabilities and special needs. However, life in Toowoomba can be awkward for those needing wheelchair access. This is a big disadvantage in most schools and many businesses do not have wheelchair access either. I am lucky, I have an artificial leg. But what about those that are stuck in wheelchairs for the rest of their lives and may never walk again? Whose dreams are they destroying?

That is right—whose dreams are they destroying? I would like to call on councils and state and territory governments across Australia to heed the calls of this fine young Australian and all the disabled and special needs Australians she represents. By way of interest, there are some 512,400 people in Australia who need mobility aids, and there are 254,000 births each year with mothers who during their pregnancy, and afterwards of course, need to move their children around in strollers. Ramp access to schools, businesses and other public places should be a fundamental inclusion in all town and school planning. People with special needs are just as important as any other member of the community and they should not be forgotten. Often their skills and abilities contribute greatly and are invaluable to the local and wider Australian community.

The SPEAKER—Order! It being 5 pm, the debate is interrupted.

House adjourned at 5.00 pm
The DEPUTY SPEAKER (Hon. IR Causley) took the chair at 9.30 am.

STATEMENTS BY MEMBERS

Welfare to Work

Ms HALL (Shortland) (9.30 am)—Every now and then you hear of a constituent who has been a victim of the system. One such person came to my office very recently, and it caused considerable concern because no matter how hard we tried we could not help her. This lady is 61 years of age and has an elderly mother who has dementia. She cares for her elderly mother, and her husband is in receipt of a pension. This lady was on special benefit until the welfare to work changes went through this parliament recently. Since those changes went through the parliament she has been advised by Centrelink that she can no longer receive the special benefit payment, and now she must apply for Newstart and undertake the activity test. She has not worked since 1959. Her mother requires care 24 hours a day but this lady cannot get the carers payment, because her mother owned a little miner’s cottage at a place in my electorate called Catherine Hill Bay, which is probably one of the most stunning areas in this nation. The houses in that area are selling for pretty close to $1 million. I do not think her house sold for that much, though. The money from the sale is being held by the New South Wales Protective Commissioner. Therefore, this lady cannot access that money in any shape or form for her mother’s care.

We have a situation where a 61-year-old woman is ineligible for the pension, ineligible for special benefit and ineligible for the carers payment but has to care for her mother 24 hours a day. Believe me, it is very hard work. This is a 61-year-old woman who has not worked since 1959 and who can receive no payment whatsoever from the government. This is a woman with very limited financial resources who thought that the least this government could do would be to provide her with some income support, because she is caring for her mother and saving the government money by being prepared to do that. I think it is an absolute disgrace and I call on the government to act immediately to change this anomaly in the legislation. (Time expired)

Professor Ian Frazer

Mr JOHNSON (Ryan) (9.33 am)—I am pleased to speak in the parliament today to pay tribute and to add my voice of congratulations, both personally and on behalf of the people of Ryan, to Professor Ian Frazer, a constituent of mine in the Ryan electorate who represents a proud tradition in this country of medical research and distinction. Professor Ian Frazer lives in the suburb of St Lucia and, as we all know, on Australia Day this year was honoured by this country for developing the world’s first vaccine to combat and treat cervical cancer.

We know that cervical cancer kills some 300,000 women world wide, and between 500 and 1,000 women in this country are affected by cervical cancer. Ian Frazer is a 52-year-old who has dedicated his life to medical research, to the treatment of cervical cancer and to the discovery of a cure, so overdue in this country and, indeed, around the world. I understand that at one stage Professor Ian Frazer had to take out a second mortgage on his family home to continue to raise the funds for research into this important area in the world of medicine.
Estimated global sales of more than $2 billion will come from this drug when it is marketed. I think that women around the world—and, of course, in our own country—will be so pleased that the world of medicine and medical research has been able to discover a drug that will cure cervical cancer. No doubt Professor Ian Frazer will personally reap some degree of financial reward, but so it should be. Role models should not be confined just to the men and women of business and to our elite athletes; they should also be our men and women with brilliant minds—doctors and scientists like Professor Ian Frazer of St Lucia in the electorate of Ryan.

The crucial breakthrough in this medical research that I refer to took place some 15 years ago when Professor Frazer and a colleague, Dr Jian Zhou, discovered how to make the virus itself make the vaccine that they had been working on work. I want to pay tribute also to Dr Jian Zhou. He died before I had the pleasure of meeting him, but his lovely wife, Ms Xiao-Yi, is a very dear family friend and I want to acknowledge in the parliament Dr Jian Zhou’s overall contribution to the success of Professor Ian Frazer’s work. As the Prime Minister said recently when he paid tribute to Professor Frazer’s success, this country must acknowledge the contribution of people other than those in the world of sport; we must honour those who make a wonderful contribution to this country in the world of medical research. (Time expired)

Trade Union Movement

Dr Emerson (Rankin) (9.36 am)—I wish to speak in support of the great Australian trade union movement. The trade union movement is a force for good and a force for change. It has been responsible, together with Labor governments, for some of the great social and economic changes of this country. The trade union movement is under attack from a Prime Minister trying to fulfil a 30-year tired old dream. We note that the trade union movement is the target of the Work Choices legislation, but it is wise to acknowledge that the real target of this legislation is the Australian Labor Party. This is a politically motivated piece of legislation, because the Prime Minister knows that if he can attack the trade union movement, he can attack the Australian Labor Party.

Labor, as a party, was born of the trade union movement. We are proud of our bonds with the trade union movement—we say it long, we say it hard and we say it often. The Liberal Party knows its origins and so do we. We recognise our origins, and we are very proud of our bonds with the trade union movement. The government has taken on Australia’s biggest community based organisation, with more than two million members. I can report that the unions to which I have spoken have reported increases in membership as a result of this attack from the coalition government. The union movement and the ALP are in this fight together. We are in the fight of our lives, and we will triumph over the Howard government for its politically motivated attacks on the trade union movement and, through the trade union movement, on the Australian Labor Party.

The trade union movement was set up on the principle of a fair day’s pay for a fair day’s work. That was in the 1800s. It is just as relevant today, as the trade union movement seeks to ensure that every working Australian has a fair day’s pay for a fair day’s work. The trade union movement, working in collaboration with the Hawke and Keating governments, achieved great things for this country and was heavily responsible for the prosperity that is now being enjoyed. However, many people are missing out, with casual work, very tenuous work and increasingly insecure work particularly as a result of this legislation. The Australian Labor
Party and the trade union movement will work together to get some greater job security back into the Australian workforce, to get some fairness back into the Australian workforce and for the ALP to once again assume government and be a force for change in collaboration with the trade union movement. Good economic change, good social change and greater prosperity are what we stand for. I say to government members that the day of reckoning is coming. We are in this for the fight of our lives and we will win. (Time expired)

**Jezzine Barracks**

Mr LINDSAY (Herbert) (9.39 am)—The member for Rankin should surely realise that that debate has been had, and we have moved on as a government.

There is a magnificent piece of land on Townsville’s foreshore. It is at the western end of Townsville Strand, which many of you who have been to Townsville will know is the best beachfront in Northern Australia. It is currently a military base called Jezzine Barracks, which incorporates one of Australia’s historic forts on the Kissing Point headland. It is currently the home of 31RQR, and 11 Brigade headquarters are also there. But Army has decided that the site is no longer of use to the Defence Force as they are transferring to Townsville’s Lavarack Barracks, the home of the 3rd Brigade. Currently there is a major program under way with Defence to look at all of the options for the site and what might be done.

I have had some very significant problems with the local city council, who, for their part, have run an extraordinary, year-long political campaign about what might happen with the site but have not made any attempt to talk with me, to work with me, to get the best outcome for our community. I find that quite sad. Yesterday, I went to Townsville in an attempt—and in fact it was a successful attempt—to bring the Townsville Labor mayor into the fold, to get him talking to me in a businesslike and professional manner, and I am pleased to say that that has happened. For example, for some time the mayor has been saying that he cannot get any appointments to bring a delegation to Canberra, but he never asked me to help him. So I took it upon myself to make the appointment and then tell the mayor that the appointment was made. I made that appointment in half an hour. He could have done that months ago with my help. He then needed to change the appointment time. It took me 15 minutes. But the mayor continued to carry on. It is a pity that the local council will not work with their federal member to get the best outcome for the community.

We are going to see the majority of that site basically given to the community for a dollar. It is worth $25 million. It is a great deal for the community, a great deal for the council. We are going to see no land sold to commercial developers. We are going to see no high-rise on the site. We are going to see Defence retain some of the site for the purposes of Defence homes. All in all, we are going to get a fabulous bookend to Townsville Strand, providing that the Mayor of Townsville takes the time to work with me and the government to get that outcome.

**Adelaide Airport**

Mr GEORGANAS (Hindmarsh) (9.43 am)—One of the issues for people living in the electorate of Hindmarsh is airport noise and development on airport land. Many constituents have raised this issue with me and our state MP for West Torrens, Mr Tom Koutsantonis, who together with me has been supporting the residents in their fight for a long time now. I must
thank him for the help and assistance he has given the residents and me in the western suburbs on the issue of aircraft noise and other related airport matters.

I personally have lived under the flight path for most of my life. However, compared to some I am fairly lucky. I do not live right next door to the airport. Where I live, the planes fly so low that it is a bit of a joke in the neighbourhood that, if we sit on the roof, we can tickle the bellies of the aeroplanes as they fly over. But for residents in some of the suburbs in the western suburbs such as Brooklyn Park and West Richmond, which are right next to the airport, it is no joke.

After years of lobbying by residents and me, the airport insulation program was finally introduced in 2000. It had been in place in Sydney for residents since 1994. Why Adelaide residents were deemed to be less deserving for so long is beyond me. However, residents around the Adelaide Airport celebrated when the program was introduced. Finally there was a chance that we could hold a conversation in our homes or talk to people on the phone without being interrupted and that young children could take an afternoon nap without being woken too soon.

But, in the suburbs of Brooklyn Park and West Richmond, residents in the streets right next to the airport, who had been lobbying long and hard for the program, reasonably expected their homes to be insulated as well. But a strange thing happened: areas further away from the airport were insulated, while a number of houses right next to and bordering the airport, in streets such as Western Parade, Press Road, Lyons Street, Raws Road, James Avenue, Clivan Street, Marles Court, Cleo Court and Clifford Street, were not insulated. The current argument by this Liberal government is that these streets are not touched by the flight path. But residents living in those streets know, and I know, that that is simply not the case, because there have been examples of trees being cut down because, they say, they interfere with the flight path, yet when it comes to insulation residents are told that they are not in the flight path. Somehow it is argued that, for some reason, these houses are not in the flight path.

The flight path varies considerably, and a large number of planes fly over the non-insulated houses each day. We all know that flight paths are not like railway tracks, where they are solid and sit in the one spot continuously. A flight path diverts continuously, 50 metres either way of the actual flight path. In addition, the insulation program is such that in some streets houses on one side are insulated while houses on the other side of the street are not. To the residents, and indeed to me, this seems like bureaucratic nonsense. The noise on one side of the street is no less than that on the other. I urge the minister to expand the airport noise insulation program. (Time expired)

New South Wales Government: Water Management

Miss Jackie Kelly (Lindsay) (9.46 am)—In the 40th Parliament, the House of Representatives Standing Committee on Environment and Heritage commenced an inquiry into sustainable cities. One of the key reasons for my joining that committee at the start of this parliament was that the report, Sustainable Cities, is such a crucial issue for outer metropolitan areas. The committee took over 200 submissions, all of which were posted to the website. Mr Carr, the former state Premier of New South Wales, would have been well aware of the evidence being taken by the committee when in Dubai he announced a desalination plant for Sydney. It was totally contrary to any practice of sustainability on any of the evidence we took.

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On that issue, we now see that over $120 million has been committed, which would be enough to sustain more police for New South Wales and more mental health beds and pretty much put a flashing traffic light at every school crossing in New South Wales. We hear today that the New South Wales Premier has now given the desalination plant the flick and is going for water aquifers under Penrith in my electorate. I find this gobsmacking. Our area has suffered again and again from the state Labor government’s mismanagement of this issue. For a start, they did not raise the wall on Warragamba Dam. Instead, they built an incredibly expensive overflow, which means that, when there is a rainfall that will fill dams, we will get flooded at the expense of the rest of Sydney’s drinking water. Virtually three-quarters of my entire electorate will be flooded because of that decision.

After that decision was taken, we then had a decision to have a desalination plant and now we have a decision to have aquifers under the Hawkesbury-Nepean River, which is already under extreme stress from mining. We have had instances of mining under the river, which has allowed methane gas into the river, causing enormous fish kills throughout the area. The subsidence in that area is already having a devastating effect on the Hawkesbury-Nepean, and we now have this outrageous suggestion that somehow aquifers are some kind of long-term solution for Sydney’s water. My electorate of Lindsay has suffered again and again from this government’s mismanagement of the water issue. I urge the Premier to read the committee’s report, adopt the extensive evidence we have collected and take up our recommendations on water recycling. I am not one for water recycling. I really object to drinking recycled water but, of all the policies open to us, I have been convinced that that is where our future lies. It is unpalatable but, having done all the research and evidence, we need to get out there and educate Sydneysiders that this is a realistic option, and it is where we must head in terms of Sydney’s future drinking water, rather than spending another $120 million on some harebrained scheme that would put aquifers under the city of Penrith. (Time expired)

Holt Electorate: Australia Day Awards

Mr BYRNE (Holt) (9.49 am)—I would like to talk in this place about celebrating people who make a difference to our community. Through their often tireless, often very long and often unacknowledged efforts, these people make our community and our country a better place in which to live. I would like to acknowledge 19 people and two community based organisations that have made such a significant contribution that they were acknowledged in the Holt Australia Day Awards on Australia Day. I would like to talk about these people briefly to let the parliament and the Australian people know about the contribution they make.

Without going into too much detail, I would like to read into the record the names of the people who received the 2006 Holt Australia Day awards. As I said, because of their contribution to the community, their service to the community, they are the unrecognised heroes of our community. They make our community and our country a better place to be. The recipients of this year’s awards were: Carol Gaudoin, for services to the Andrews Centre; Dale Maggs, for services to the Casey Tourism Association and the Motorcycle Riders Association; Dianne Eigeneraam, for services to the Casey division of St John’s Ambulance Service; Doreen Parston, for services to the Doveton Senior Citizens Club; Evelyn Peterson, for services to the local community and Cornerstone Dandenong; Geoff Ablett, for services to the Narre South Tigers under-18 girls football; Grazie Oost, for services to the Casey Cardinia Community Legal Service; Jennifer Black for services to the Holy Trinity Anglican Church and local

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community organisations; June Arnott, for services to the Doveton Baptist Benevolent Society; Lindsay King, a legend in Cranbourne, for services to the City of Casey and the Casey Tourism Association; Liz McLennan, for services to the local community and the Andrews Centre; Margaret Roby, for services to the Doveton Senior Citizens Club; Matthew Waixel, for services to the St John’s Ambulance Service; Maureen Kirwan, for services to the Andrews Centre; Pauline Warren Smith, for services to the Doveton Baptist Benevolent Society; Rowan Nowak, for services to the Salvation Army in Cranbourne; Ron McCurdy, for services to the Salvation Army in Cranbourne; Sankara Subramanian, for services to the Victorian Tamil Cultural Association; Sarah Ludlow, for services to the Doveton Baptist Benevolent Society; the Cranbourne Information and Support Service volunteer team, for services to the Casey South community; and the Flame Unity Crew, for their promotion of the Doveton neighbourhood.

All of these people are unsung heroes—people who dedicate their lives to providing very simple services, but services that our community needs. When we talk about people not giving service to the community, we are not talking about the people whose names I have just read into Hansard. These are people who should be honoured for making our community and our country a better place to be. (Time expired)

Casey Electorate: Australia Day Awards

Mr ANTHONY SMITH (Casey) (9.52 am)—I too want to take the opportunity to recognise the work of some hardworking community members and community groups who recently held functions on Australia Day for the benefit of local citizens in the Yarra Valley in the federal electorate of Casey. I will start with Wandin Rotary, which, every year, has an Australia Day breakfast, which has gone from strength to strength, all with the aim of people meeting on Australia Day to celebrate Australia’s history and values and to raise money for important community projects in the Wandin area.

I want to pay tribute to the president, Angus McDonald, to Kevin Parker, to Keith Corbett, to Peter Manders and to the whole team at Wandin Rotary, who do so much for so many right throughout the year, but I particularly pay tribute to them for their efforts on Australia Day, which brought 250 people from the community together in the local town hall to raise money for important things in the Wandin community.

I also want to make mention of Monbulk Rotary, which, also on Australia Day, had an official flag-raising at a flagpole that they fully funded themselves as part of the 100th anniversary of Rotary. Over the course of the year they raised the money in the Monbulk community to construct a flagpole in the centre of town to have a flag-raising ceremony on Australia Day in the town centre, with many local people present. I want to pay tribute to Des Cox, the president, and to Gary Jans, for all their work in Monbulk Rotary; and to Paul Bennett and John Surridge, from the Monbulk RSL, for the work that they do right throughout the year.

Last but not least I want to pay tribute to the local cricket clubs from around the Croydon, Lilydale and Wonga Park area who put together a 20/20 cricket challenge on Australia Day with the express benefit of raising money for two RSLs—the Lilydale and Croydon RSLs. You could not think of anything more Australian than a cricket match between local cricketers in 41 degree heat, as it was in Melbourne, all for charity for the local RSLs. To Alan Bailey, who did so much to put that together, and to all the players from local clubs, a big pat on the
back for a wonderful initiative that started last year that I am sure will also grow from strength to strength in the years to come.

Sydney (Kingsford Smith) Airport

Ms PLIBERSEK (Sydney) (9.55 am)—I am rising today to add my opposition to that expressed already in the community to the proposed development by the Sydney Airport Corporation of a massive cinema and retail complex at Sydney (Kingsford Smith) Airport, which is going to have a terrible effect on the local residents and businesses in the surrounding communities. I am calling on the federal government and the transport minister, in particular, to reject the proposal. The development has no regard to the views of local residents and has no regard to the effects on local businesses and local communities. It is all about optimising the profits that Sydney Airport Corporation can suck out of Kingsford Smith airport. I do not mind that so much except that every dollar will be at the expense of the local community.

The New South Wales state government and the City of Sydney Council, when they say that the proposals will cause traffic chaos, have hit the nail on the head. You are talking about a car park of 3,000 cars and an estimated 3,000 cars an hour on Saturday morning coming in and out on local suburban residential streets. The New South Wales government have estimated that they would have to spend $2.7 billion on roadworks to support this new development. Not a cent would come from Sydney Airport Corporation. All of the cost of the upgrading of the surrounding facilities that would be necessary because of this massive new traffic thoroughfare through suburban streets would be borne by the New South Wales taxpayer, with no consequential benefits flowing from the Sydney airport redevelopment, aside from the number of jobs provided.

The retail development is going to suck the life out of the surrounding shopping centres. I do not think we will see the creation of a whole lot of extra wealth; I think we will see a transfer of wealth from existing, established shopping centres. There are many of them already in the local area. We have the redevelopment of Green Square nearby, new suburbs being built and new shopping centres—new community hubs being built that do have the associated infrastructure needed. The result of building this massive complex at Sydney airport will mean that all of those well-planned, well-integrated centres that have community support and that have worked with local and state government to build sustainable neighbourhoods will have the life sucked out of them and instead will be sucked into the vortex of the Sydney Airport Corporation and their endless desire for expansion. (Time expired)

Disability Services

Mrs HULL (Riverina) (9.58 am)—For the seven years I have been fortunate enough to have been in this parliament, I have been raising issues of concern to disabled people and their carers with successive ministers and in the party rooms. The one issue that I have consistently been raising is young people in nursing homes. That has come to the point where tomorrow COAG will meet and perhaps this subject will be on the agenda. As at June last year we had 6,449 young people in nursing homes. Thirty per cent of these people are acquired brain injury patients, 27 per cent have a physical disability, 23 per cent have a neurological disability and 20 per cent have an intellectual or psychiatric disability. In New South Wales alone there are 100 people under 60 with MS in a nursing home and there are more than 300 people at risk of entering a nursing home because of the inability to access support services.
I have been raising their plight, as I said, for seven years. Something has to be done. There is no greater issue in our community than to have a young person—mentally sound, mentally capable, but with a disability—confined to a nursing home where their lives are completely taken over by the problems of the ageing and disabled. I find that absolutely unacceptable.

It is predicted that there will be about 10,000 young people in nursing homes by 2007 if the current rate of entry is maintained. There is actually a young person entering an aged care facility somewhere in Australia every single day. Something has to be done. This is a national issue, an issue on which the Commonwealth and the states should be working together to overcome. There should be a planning process so that we can provide quality of life not only for the young people who have been unfortunately confined to nursing homes because there is nowhere else for them to go but also for their families and friends, so that they can have continued interaction and relationship with our young people in nursing homes.

As I said, for seven years I have been raising this issue with successive ministers. Tomorrow, thankfully, this is on the agenda for COAG. I look forward to some meaningful solutions from the COAG discussions tomorrow so that we can start to put in place a future life plan for young people—to whom this can happen at any time. Our child may be involved in a car accident tomorrow, and they may then be confined to a nursing home because there are no support services available. I urge some meaningful discussions in COAG. (Time expired)

The DEPUTY SPEAKER (Hon. IR Causley)—In accordance with sessional order 193, the time for members’ statements has concluded.

FINANCIAL FRAMEWORK LEGISLATION AMENDMENT BILL (No. 2) 2005

Second Reading

Debate resumed from 8 December 2005, on motion by Dr Stone:

Mr TANNER (Melbourne) (10.01 am)—With your indulgence, Mr Deputy Speaker, I begin by commending the member for Riverina on the comments she has just made. It is an issue, I think, that is extremely important. I have a motion on the Notice Paper with exactly the same intent, and I appreciate her contribution on the issue. I hope, like her, that the COAG meeting will lead to some serious progress. It is a national scandal that we have large numbers of young people, who are severely disabled or have acquired brain injuries and things of that kind, in nursing homes. I commend the member for Riverina for her efforts in that regard.

The Financial Framework Legislation Amendment Bill (No. 2) 2005 is supported by the opposition. It is largely routine legislation, covering a number of unrelated matters which I do not intend to deal with in any great length, but there are a couple of things that I do wish to address.

There are a variety of provisions, including a bit of tidying up with respect to special accounts for particular agencies, and a number of other essentially routine matters, but there are two areas that I want to make some observation on. One relates to the extension of certain exemptions that currently apply with respect to Financial Management Act provisions, regarding intelligence or security agencies to policing agencies, and the other relates to reforms to Comcare.
Schedule 3 of the bill includes an amendment to section 58 of the Financial Management Act, which provides that intelligence or security agencies may avoid some of the requirements of the Financial Management Act via the regulations. These exempt agencies from approval of spending proposals affecting operational money allow the banking of public money—that is, operational money in an account that is not an official account—and provide for the preparation of financial statements other than in accordance with the finance minister’s orders.

The amendments sought would allow Financial Management Act agencies that are law enforcement agencies, as defined in section 85ZL of the Crimes Act, and including the Australian Federal Police, the Australian Crime Commission, CrimTrac, the Australian Customs Service and so forth, the potential to avoid some of the requirements of the Financial Management Act via the regulations.

There are several good reasons for the extension of these exemptions concerning officers working undercover with an assumed identity, witnesses who are under protection, and controlled operations. However, Labor would like to raise the concern that these changes will take place without the benefit of the Australian Commission for Law Enforcement Integrity, promised prior to the last election but which has still not been delivered. Labor will deal with these matters further in the Senate.

Finally, I would like to deal with the changes to Comcare and the administration of Comcare as proposed in the bill. In effect, the bill deals with a longstanding problem with respect to Comcare, where weekly payments for workers who are off work as a result of injuries cannot be made by their employer, the agency involved, until such time as there is actually a finding of liability on the part of Comcare. That of course creates the strange circular arrangement where either the individual concerned goes unpaid for a period of time or they use existing leave entitlements which are then subsequently reimbursed.

It is part of a broader problem in Comcare where there is a triangular situation: the individual claimant is at one point of the triangle; their direct employer, the agency, is at another point; and Comcare is at another point. One of the things that happens in practice all too often is that individual claimants end up in situations where they have Comcare and their individual agency both pointing at each other as the organisation that should sort out the problem. There is a structural weakness in Comcare that needs to be corrected and this legislation at least takes a significant step in that direction, so I commend the government for acting on this.

This raises the broader question of something that is very dear to my heart and has been for a very long time, and that is how we deal with problems of injured workers and people with serious injuries and disabilities in this country generally. We are still in the Dark Ages in spite of the efforts of the Whitlam government in 1975 to introduce a uniform national compensation scheme, which unfortunately was defeated in the Senate. We are still in the Dark Ages, with a hodgepodge of bits and pieces schemes and arrangements all around Australia providing a wide variety of different degrees of compensation and assistance for people suffering serious injuries and illnesses which prevent them from working, impose a whole range of economic burdens on them and, of course, impose major burdens on their ability to live normal lives. That imposes a great difficulty on many Australians, who are essentially invisible, because we do not hear about these people in the community.

So, although there are some who are reasonably well compensated out of existing injury compensation schemes, particularly if they are in a jurisdiction where common law still exists...
and they have the ability to sue because they can demonstrate negligence against another party, typically an employer, there are many others who miss out and suffer essentially the destruction of their lives or their wellbeing as a result of a serious illness or injury because they are unable to connect their situation with some particular party that has a liability to compensate them.

I came across an example of this only recently. A woman in my electorate who contracted hepatitis C as a result of a blood transfusion at a major hospital in Melbourne has received legal advice that she is unable to sue the hospital and that the prospects of success in any case would be very slim. She has now got to the point where she is largely unable to work and has gone on to the disability support pension. Her long-term prospects look decidedly grim. She will hopefully be able to manage the illness, but her ability to remain a productive member of the workforce into the future looks very clouded. As a result of this, she goes on to the very basic, very limited, income of the disability support pension; whereas, had she been able to demonstrate negligence on the part of the hospital, she would have been in a position to achieve a very substantial common law payout. It has nothing to do with her need but everything to do with a highly arbitrary and ultimately very artificial equation about demonstrating negligence on the part of, in this case, a service provider.

This is an irrational way of providing compensation for people suffering serious illnesses and injuries. It is based not on their need but on the circumstances in which they acquired those illnesses and injuries. Because of almost universal insurance arrangements, the notion that somehow negligence law and common law provide some kind of deterrent to people negligently injuring others I think is highly dubious. There are some instances where you can probably make some argument to that effect, but in overall terms the notion that the operation of common law actually does that is basically pretty hard to demonstrate. There is a bigger picture question that we as a society have to look at, and that is how we provide income support for people with serious injuries and illnesses and how we provide maximum opportunity for them to recover, rehabilitate and return to the workforce, if not in their previous occupation then at least in some form.

We are long overdue in this country for a major reform agenda for the way we deal with workplace and other injuries, the way we assist injured workers and other injured people to deal with their problems and the way we provide for compensation. I commend the government on this small step in this legislation of a small reform of the Comcare arrangements. I hope this will improve the efficiency of the way Comcare is administered, provide some relief for injured workers who operate under the Comcare scheme and provide some reduction in the extent to which bureaucracy creates barriers to them achieving their entitlements and being able to get some relief and some justice.

In conclusion, this nation as a whole—that is, all the states and territories and the Commonwealth—is long overdue for a major reform agenda. It probably need not be the same as what Labor proposed 30 years ago. The world has moved on. There are many different issues that we need to deal with. Some of the things in that proposal are probably not appropriate now. We in this country are long overdue for a very serious examination of how we can build a world-class, 21st century system of compensation, support and rehabilitation for people with serious injuries and illnesses. The ramshackle, bits and pieces, often highly unjust and highly inefficient regime that operates currently in this country simply is not good enough. Although
a wide array of interests—some associated with the conservative side of politics and some associated with my side of politics—resist reform, ultimately the people we have to be concerned about are the very large number of Australians who suffer serious illnesses and injuries, which in many cases cripple their lives, and who we are not adequately assisting as yet. I see this legislation as one small but significant step towards improving the existing system in a particular jurisdiction. That is helpful, but we have a big task in front of us and we as a nation are long overdue to do something serious about it.

Mr KELVIN THOMSON (Wills) (10.12 am)—I do not intend to speak at any great length on the Financial Framework Legislation Amendment Bill (No. 2) 2005, but I want to say a couple of things. The first is to support the remarks just made by the member for Melbourne concerning the issues of accident compensation and compensation for injured workers. I think everything the member for Melbourne has said about the unsatisfactory nature of the present system is correct. There is something of a lottery if you are injured. If you can show that someone—whether it is your employer, a council or an education department—is responsible for your injury then you can on occasion receive very large and generous compensation for the injury or the illness. But, on the other hand, if you cannot show that it was somebody else’s fault, and that somebody has deep pockets, you are put in the position of dependence on the disability support pension and in many cases that is inadequate.

I can remember in years gone by that a particularly unsatisfactory feature of the existing regime was that payouts were almost universally by way of lump sums, and frequently people who received these lump sums for very substantial injuries had them managed by others and found that they had become lost, stolen or mismanaged and turned into nothing. I can remember when I was shadow Assistant Treasurer and had some responsibilities in the area of insurance pursuing this issue. There was a case in Geelong where a young man had very serious injuries as a result of negligence by a hospital and had received a payout in the order of $7 million. Unfortunately, his Geelong accountant had taken something like $6 million of that $7 million and got rid of it at the Crown Casino. He was, of course, charged with theft et cetera. But it was a very unsatisfactory example of the way in which the lump sums could disappear or be maladministered. I and others at that time put pressure on the government for a change to the taxation legislation to encourage people to take these settlements by way of periodic payments rather than lump sums. I am pleased that the government, under some duress, acted in that direction and that we now have a situation where it is easier to have your compensation payment made by way of periodic payment rather than lump sum.

One of the interesting postscripts on that Geelong case was that this young man’s injuries were so severe that within about 12 months of my visiting him he passed away. The truth is that, had the theft not occurred, that $7 million would have been an excessive amount of compensation; it would have been a windfall to the family. So there are people on one side of the existing legal arrangements who can get quite generous compensation and people on the other side of the arrangements who lose out in the lottery, receive very little compensation and are put in very serious positions as a result of workplace injuries, transport injuries and other injuries.

There are schedules in this bill which refer to the government’s welfare to work changes. I only wish to speak briefly on these matters. Not having had the opportunity, due to other commitments, to speak in the House on welfare to work issues previously, I want to take this
opportunity to express my concern that the government is essentially, with these changes which are soon to come into effect, moving people from one welfare payment to a lower welfare payment. Sole parents in future, when their child turns eight, will be dumped onto the dole. The problem is that you actually lose more of every dollar you earn when you are on the dole than on the current payment. That does not act as an incentive to go out into the workforce and earn more money; that acts as a disincentive. I believe that people with a disability will be even worse off. They are currently on the disability support pension. In future, if they are assessed by someone in the department as being able to work 15 hours a week, they also will be dumped onto the dole and thereby take a significant cut in their income. You have got to ask the question: if the government seriously believed that this was a good idea, why wouldn’t they be doing it to the existing 700,000 disability support pensioners?

I note that one of the Liberal MPs from Western Australia, the member for Pearce, Judi Moylan, has stated that there will be extremely adverse results for single parents and people on disability pensions. I think she is quite correct in her assessment of this. It is a shame that the government has not taken more notice of her. I want to put on the record my concern that this precisely will be the outcome of the government’s proposed changes. I am all in favour of mutual obligation and reciprocal obligations, but I believe that the way in which the government is approaching these welfare to work issues will simply result in reduced payments for people who are in that unfortunate situation.

Schedule 4 of the bill relates to the Job Network. I want to point out to the House that we have had an Auditor-General’s report on the Job Network tabled in parliament in June last year, which found that the levels of contact between Job Network members and jobseekers rarely met contractual obligations; that the assessment of jobseekers’ needs, a contractual obligation, was limited; and that customisation of jobseekers’ Job Search plans was very limited. The Howard government’s failure to ensure contractual obligations are met has had a very bad impact on those who are having the most difficulty finding work. The report gives some indication as to why it is that long-term unemployment has increased by 60 per cent over the past five years. The report found that the department lacks clear objectives and performance indicators relating to service standards, and indeed this seems to explain why complaints about the Job Network to the employment department’s customer service line have doubled in recent times. It is true that the Auditor-General’s report raises serious concerns about the Job Network’s capacity to manage the implementation of the so-called welfare to work package. In other respects I associate myself with the remarks made by the member for Melbourne.

Mr Nairn (Eden-Monaro—Special Minister of State) (10.19 am)—In summing up debate on this bill on behalf of the government, could I just make a few short comments. I do not want to keep the Main Committee too long on this, as the opposition have indicated their support for the bill. The passage of the Financial Framework Legislation Amendment Bill (No. 2) 2005 will enhance the financial management framework of the Australian government and lead to clearer and more efficient administrative arrangements and practices.

The greater part of the Financial Framework Legislation Amendment Bill proposes amendments that are of the same type as were made in the act. The act commenced on 22 February 2005. These types of amendments were also supported by the Joint Committee of Public Accounts and Audit in its report No. 395: Inquiry into the Draft Financial Framework Legislation Amendment Bill. The report was a precursor to the introduction of the bill that was
passed as the Financial Framework Legislation Amendment Act. The Joint Committee of Public Accounts and Audit has been consulted about the proposed amendments to the public accounts act and has indicated its broad agreement to the amendments. I note that the amendments do not alter the committee’s role, powers and functions as contained in the act.

This bill really only covers housekeeping matters of an administrative nature, and that is presumably one of the reasons that the opposition support this bill. I noted the comments by the member for Melbourne about raising other detailed matters in the Senate. That would probably be the most appropriate place to do that, as the minister responsible for this bill, the Minister for Finance and Administration, is in the Senate.

I was a bit intrigued by the references that the member for Wills made in his statement. I think he was drawing a very long bow with respect to being relevant to the legislation. I gave him latitude, I suppose, in letting him make his comments, but I will just comment on the Job Network matter that he raised. I note that he did not refer to the unemployment rate in criticizing Job Network. I do not know what the unemployment rate is in his electorate, but I suspect it has probably dropped dramatically over the last 10 years.

Mr Cameron Thompson—It is 2.7 per cent in Ipswich.

Mr Nairn—Like 2.7 per cent in Ipswich, as the member for Blair says. I know that in my electorate of Eden-Monaro it has gone from up near eight per cent in 1996, down to well below five per cent—it is about 2½ per cent in Queanbeyan, for instance—and a lot of that is to do with the Job Network. It is the strong economy, but it is also the Job Network.

When I was elected to parliament in 1996, there was a CES office in Queanbeyan, a CES office in Batemans Bay and a CES office in Bega, and a part-time visiting service to Cooma, where people from Canberra went down on a Wednesday afternoon—and often they did not even make it on a Wednesday afternoon. That was how they serviced Eden-Monaro with respect to unemployment. Now we have Job Network providers not only in those towns but also in Moruya, Narooma, Merimbula, Pambula, Eden, Jindabyne—it just goes on—and that has had a great impact. That is not directly relevant to this legislation, but given that the member for Wills raised that matter I thought I might just add that response.

This is a housekeeping piece of legislation. It does provide a number of amendments to update, clarify, align and integrate financial management provisions with a number of accounts, plus a number of other minor amendments as well. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Ordered that the bill be reported to the House without amendment.

ADJOURNMENT

Mr Cameron Thompson (Blair) (10.24 am)—I move:

That the Main Committee do now adjourn.

Transport Infrastructure

Mr Murphy (Lowe) (10.24 am)—I am advised that the Bureau of Transport Economics estimated the cost of transport congestion to the Australian economy in 1965 as $12.75 billion
main-committee per annum and estimated that the loss of productivity would grow to some $30 billion per annum by 2015. That represents $8.8 billion per annum for Sydney. I am also advised that transport costs make up around 15.2 per cent of household budgets and that Australia’s divided urban geography is likely to be imposing high relative travel costs on outer urban households.

On 8 December I asked question No. 2827 to the Minister for Transport and Regional Services. I asked if he had read an article by the member for Wentworth—and now Parliamentary Secretary to the Prime Minister—titled ‘Cities give no transport of delight’, which was published in the Age on 25 November 2005. It reported that the House of Representatives Standing Committee on Environment and Heritage report entitled Sustainable cities recommended that the federal government take a leading role in Australia’s cities and include other modes of urban transport as objects of its largesse. I also asked if he would ensure that the government become involved in urban transport issues by funding or by making significant contributions to the funding of urban rail systems, light rail or other public transport solutions in Sydney and in Australia’s other major cities—if so, when; and, if not, why not.

I have just received a reply from the minister. It is a very disappointing reply, because the minister has reported in part in his answer to me that the government is already involved in urban transport issues through AusLink and through the coordination mechanisms that exist under the auspices of the Australian Transport Council such as the working group on urban passenger congestion. However, he reported that the Australian government’s position is that funding urban public transport systems is fundamentally a state responsibility and that these systems primarily serve and deliver localised passenger movements and localised benefits.

I am not sure whether the minister has been to Sydney recently. It is not good enough for the federal government to abandon its responsibility to provide a much needed investment in major long-term infrastructure projects. Sydney is crying out for a major injection of taxpayers’ money to assist in the funding of a new mass transit system for the Sydney central business district and other inner suburbs. One only has to observe the appalling traffic congestion in the heart of Sydney, in George Street, on any working day, particularly at 8 am or 5 pm, to understand the need for massive federal government investment in our public transport system. The CBD and many road arteries that travel from the city and through my electorate of Lowe—for example, Victoria and Parramatta roads—are choked with cars, buses and trucks on a daily basis.

Concerns about Sydney’s transport system were highlighted in a minute by the Lord Mayor of Sydney in March of last year when she reported to council:

Public infrastructure has been seriously run down during the past decade. The cracks are now showing—particularly with failing rail systems, and inadequate provision of basic utilities.

Our living standards, and business and economic capacity relies on the provision of adequate public infrastructure. To remain competitive and prosperous, we need to make sure that we can sustain and support continued growth.

Business groups and others are now calling on the federal Government to set up a national Infrastructure Council, to give the issue more prominence and promote long term planning.

I could not agree more. Sydney’s transport system desperately needs the assistance of the federal government. It is not good enough for the government to abandon its responsibility to
provide much needed investment in major long-term infrastructure projects such as transport in Sydney. Sydney is crying out for a major injection of taxpayers’ money to assist in the funding of a new mass transit system for the Sydney central business district and other inner suburbs. I call on the government to stop paying lip-service in relation to this matter and expecting the state government to find the money to address this matter. I support the push by the inner city councils to start this by providing light rail to the citizens of the inner west. (Time expired)

Workplace Relations

Mr RANDALL (Canning) (10.29 am)—I wish to place on the record one of the reasons why the federal government’s new industrial relations reforms are so welcome in Western Australia. In an article today in the Australian newspaper, Amanda Banks outlines the case of the CFMEU state secretary, one Mr Joe McDonald, who was before the state Industrial Relations Commission yesterday. Mr McDonald was there before the state Industrial Relations Commission because of his continued intimidatory behaviour on the work sites around Perth and his endeavours to stop work and disrupt people going about their lawful business.

Just let me put this into context. The CFMEU in Perth, quite rightly, calls itself a militant union. Joe McDonald justifies some of his nefarious behaviour by saying, ‘But that’s because we’re a militant union.’ One of the outstanding cases at the moment concerns the southern rail line, which is being built by a consortium of Leighton and Kumagai. The tunnel that is being burrowed through Perth is 146 days late because of industrial tactics used by the CFMEU such as the ‘blue flu’, where people claim to all be sick on the same day. They all call in on the same day and say they are sick, so they essentially go on strike.

The federal government has bailed the state government and Leighton out of this problem because it has put on a lifetime ban in relation to this project so that there can be no more bogus industrial disputation. But before Christmas, even though he was banned on projects coming under the industrial framework of the federal government—and has been for five years—Mr McDonald snuck onto the site dressed as Father Christmas. It was his way of getting onto the site in an illegal way to again either coerce or intimidate workers.

But Mr McDonald was brought before the state Industrial Relations Commission for a different case. He was brought before the court not by a federal body but by the state—by the state Building Industry and Special Projects Inspectorate—to revoke his entry permit. That was because, on a Pindan building site in 2004, Mr McDonald quite improperly climbed aboard one of the cranes on the site and stopped the crane driver from operating the crane. He then threatened the crane driver and said that if he tried to operate his crane he was a marked man. Talk about intimidation and threats!

Mr McDonald has been before the state Industrial Relations Commission a number of times. The first time he was let off. The second time he got a three-month ban. Surprise, surprise, yesterday he was let off again. The industrial relations commissioner, Mr Jack Gregor, said that the case was not proven. The words were that they had failed to prove the case. That is the choice of Industrial Relations Commissioner Gregor.

I often wonder about the structure of the state Industrial Relations Commission. Since the state Labor government has been in power in Western Australia, it has loaded it up with former union heavies such as JJ O’Connor, who has retired recently, and Stephanie Mayman, a
state industrial relations officer. Here we have the state industrial relations court, meant to be the umpire on state industrial relations jobs, being loaded up with union hacks placed there by the Labor Party.

One only has to know, for example, that Mr Jack Gregor is quite often seen eating at the Friends restaurant. Clyde Bevan, who runs it, was a former Labor candidate in the seat of Floreat some years ago. There are Gregor, JJ O’Connor and other union luminaries caucusing at the Friends restaurant, and here is Mr Gregor yesterday allowing Joe McDonald, the union thug from Perth, to be exonerated in this case. Where is the justice in these courts when they are loaded up with people who are put there and allowed to do other people’s bidding? It is quite outrageous. No wonder Mr McDonald has a free rein on Perth industrial sites. It is a disgrace and it should be dealt with. That is why the federal laws are dealing with people such as Mr McDonald and his coercive behaviour. (Time expired)

Oil for Food Program

Mr DANBY (Melbourne Ports) (10.35 am)—The Australian Wheat Board’s $300 million of illegal bribes to the former Iraqi regime of Saddam Hussein was paid into general revenue for the Iraqi regime. It was the only source of discretionary money they had at that time. It was a deliberate policy of the United Nations to see that they did not have discretionary money. Of course, despite the argument of my friend Greg Sheridan, the foreign editor of the Australian today, all of this money was fungible—it was paid into the Rafidain Bank, as we know, by Alia. This is not disputed by the Australian Wheat Board, a private company which enjoys the legal monopoly over Australian wheat exports. It paid $300 million to Alia Transport and General Trade, a company owned by the Khawams, a wealthy Iraqi family—as any minister would have found out if they had looked—with close connections to the Saddam regime. It was based in Amman—another legal fiction to preserve the blind eye to the telescope of this government. These payments were made despite the fact that Alia did not have any role in unloading or transporting the Australian wheat to Iraq but was purely a conduit for these corrupt payments, as AWB’s management would well have known: the trucking company with no trucks. I am sure, blind eye to the telescope, deaf ear to their ear trumpets, the ministers probably had the same understanding but legally did not know, as seems to be the implication of the Cole commission that the ministers are constantly referring to—they legally did not know.

Nor is it disputed that these funds were deposited by Alia in the Amman branch of the Rafidain Bank, an Iraqi state bank controlled by the Saddam regime. This is the same bank from which the Iraqi ambassador to Jordan withdrew funds to be passed to the Arab Liberation Front. The Arab Liberation Front is a longstanding 30-year Iraqi faction of the PLO. It handed out those $25,000 cheques. We had an infamous interview yesterday morning, and I congratulate Mark Willacy from the ABC for finding the man who handed out these cheques from the Rafidain Bank. He said—and the two members opposite should pay close attention to this—that he was not sure at all that the money did not come from Australia. He did not know.

Mr RANDALL—That’s right, he didn’t know.

Mr DANBY—He did not know, but for your government to claim that it has done no investigations and can prove that the money did not come from Australia and all this feigned outrage that we had from the member for Sturt yesterday is deluded, frankly. These people
gave money to deluded Palestinian youths, who blew themselves up on civilian targets, as we know. The money came from the Arab Liberation Front paid by Saddam Hussein—fungible money which came from the discretionary money that they had available, the biggest portion of which came from Australia, $300 million. All that is disputed in this matter is whether the Australian government, the Minister for Trade, the Minister for Foreign Affairs or the Prime Minister knew these payments by the AWB to the bogus transport company were being made. No doubt the truth about this will eventually come out of the Cole royal commission and from the forensic questioning of ministers in this place by the opposition.

My point today is simple: whether ministers did or did not know about these payments, they should have known, because plenty of people did and other people were able to deduce fairly readily, from differentials between the market price of wheat at the given time and the price Iraq was paying to the AWB, that there was a fraud going on for many years. At the very least, ministers were too ready to turn a blind eye to AWB’s pandering to the Iraqi regime during the period of the sanctions from 1997 to 2003. Of course we have to sell our wheat abroad and not to governments we always approve of, but at a time when, according to the government, Iraq was a dire threat to the peace of the world—we had to invade the country and overthrow its government—surely ministers should have been more curious about what the Wheat Board executives, most of them National Party mates, were up to in Baghdad.

Last night the member for Sturt made a very unfortunate speech where he tried to claim all good in issues of Middle East politics were on one side. He obviously does not remember the record of past governments, which have been very even-handed and of course have defended Israel’s right to exist very strongly under a very passionate Prime Minister, Bob Hawke. Any attempt to portray these issues as one-sided is an example of partisanship. You would have to be a blind partisan, thick or malicious to know that Australia does not run a dual foreign policy—a foreign policy where we say one thing to the Americans and to the commentariat here and another thing to people where we are running a secret National Party rort in foreign policy in the Arab Middle East. (Time expired)

Surf Lifesaving Clubs

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (10.40 am)—As it is high summer, I want to take this opportunity to pay my respects and offer my thanks, on behalf of the communities of the Mornington Peninsula and Westernport, to the network of surf lifesaving clubs in the region. Those that play a critical role—though it is not limited to these—are Portsea Surf Life Saving Club, Sorrento Surf Life Saving Club, Guumnamatta Surf Life Saving Club, Dromana Surf Life Saving Club, Mount Martha Surf Life Saving Club, Point Leo Surf Life Saving Club and Woolamai Beach Life Saving Club on Phillip Island. In this brief acknowledgement, I want to talk about the clubs’ contribution to water safety, their contribution to their local community and the work of individual clubs. I know the issue of water safety very closely. I represent a coastal electorate. On all sides, the Mornington Peninsula is highly valued as a swimming destination—from Westernport to Phillip Island and the Bass Coast. Each summer, lives are lost. More significantly, many lives which might have been lost are saved as a result of these surf lifesaving clubs.

The clubs carry out two water safety functions. They carry out the immediate function of preventing the loss of life by executing rescues and patrolling the beaches. This is largely done by volunteers who give of their time freely and with great energy throughout the year.
and, in particular, over the summer months. Not only the clubs but each individual involved
deserves our thanks for that. They have a second water safety function: the long-term training
of those who would be water users. They have nippers programs whose participants number
in their hundreds—small children from the age of five and upwards—around the Mornington
Peninsula, Westernport, Phillip Island and the Bass Coast. This is a tremendous long-term
contribution to water safety and water awareness.

James Keeran from the Point Leo Surf Life Saving Club is helping me through the bronze
medallion process—it may be a slow process, and I apologise for that! I see the energy and
enthusiasm of people such as James Keeran replicated across each of these surf lifesaving
clubs.

The second major area I want to discuss is the community contribution. These clubs not
only help protect their individual beaches but are the hub of local community activity. They
draw in people who are living on the peninsula and going through school, as well as visitors.
Some of them have well above 500 members. Each club serves as a great point of productive,
active community work. They are a binding hub of community activity. I congratulate all the
organisers, officials and volunteers who help run each of the seven clubs. Beyond water
safety, what they do as community centres is an outstanding contribution to the life, work,
function and energy of the Mornington Peninsula, Westernport, Bass Coast and Phillip Island.

This brings me to the work of the individual clubs. Each club is carrying out activities.
Portsea has its very famous annual swim—similarly, Sorrento. Gunnamatta patrols a beach
and has had swims over the years. It is a very dangerous surf beach, and numerous lives are
saved at Gunnamatta. Dromana, where I was fortunate to swim at the open challenge last
weekend—albeit with a very poor result, some would say—runs on very small numbers, and
is in need of additional support. To Peter Doyle and the team there, I say congratulations. Let
me mention Steve Burt, Andrew Felsinger and everybody involved at Mount Martha. They
recently ran the Quinn Swim on Australia Day with over 500 entrants and had a wonderful
result. I also mention James Keeran and everybody else at Port Leo—they have an enormous
nippers program—and Woolamai, which has run the Phillip Island and Cowes classics and is
about to run the San Remo Channel Challenge. You do wonderful work and save many lives,
which is fundamentally important. I congratulate you and thank you.

Sydney (Kingsford Smith) Airport

Mr ALBANESE (Grayndler) (10.45 am)—I rise today to again raise issues in relation to
the Sydney (Kingsford Smith) Airport. Over the past 10 years I have spoken in this place
many times about the impact of aircraft noise on the lives and health of residents of my elec-
torate, the continual breaches of flight curfews and movement caps, the failure of the Howard
government to meet its commitment to review Sydney’s airport needs last year, and the inac-
tion of the minister, still clinging to the flawed master plan. I have spoken about schools in
my electorate such as Fort Street High School and the fact that kids have their education dis-
rupted up to every three minutes by low-flying planes, yet the school is still not insulated. I
have also spoken about flaws in the insulation program around my electorate.

After 10 long years, the government’s arrogant disregard for the residents of Grayndler has
now reached new heights. After playing havoc in the skies, this arrogant government now
wants to play havoc on the ground as well. The 60,000 square metre mega mall development
proposed by Sydney airport will cause chaos in and around KSA. The airport itself cannot
even cope with the dramatic increases in aircraft movements—from 225,200 movements per year in 2001-02 to a projected 412,000 movements per year by 2023-24. That is why the master plan was opposed by federal Labor. Add to that mix a mega mall. There will be traffic chaos, and passengers will be stuck in jumbo sized traffic jams when they are due to be boarding a jumbo! The proposed 3,000-space car park is an indication of the development’s enormous scale and of the subsequent massive traffic congestion that will be caused in and around the airport. This is a proposal of gratuitous proportions and must be rejected.

The 60,000 square metre retail complex would be larger than the Homebush Bay Outlet Centre and the Moore Park SupaCentre combined. It would include a supermarket, speciality stores, a 1,500-seat cinema complex and office space. It would move the airport away from its core business—moving people and their baggage safely on and off planes. Make no mistake: this mega mall is not about improving services to travellers but all about exploiting the absence of planning regulations and environmental controls. The development proposal brings broad smiles to the faces of Max Moore-Wilton and others only because of a glaring planning anomaly: the airport land is exempt from local and state government planning controls and—the big sweetener—from developer levies. This is an outrageous flaw in the Commonwealth legislation.

Shopping malls place incredible strain on public transport systems, dramatically increase traffic flows and affect small businesses and residential developments for many kilometres around them. Sydney is already creaking under the strain of stretched infrastructure. The state government has projected that it will cost the New South Wales taxpayer $2.7 billion in road works to cope with the mammoth impact of the proposed mega mall. Local business will lose trade, and streets will be congested. This is a flawed plan, and this arrogant government is more concerned with the link with Max Moore-Wilton and others than with listening to the concerns of residents and business owners in Grayndler.

Since the government sold Sydney airport to the Macquarie Bank-led consortium for $5.6 billion, the taxpayer has continued to pay. However, the $4 trolley hire and $2 taxi surcharge are peanuts compared with the enormous deficit that New South Wales taxpayers and ratepayers will shell out to meet the infrastructure shortfall. That is why both the state government and local councils have opposed the development.

Their submissions also raise a number of other concerns—namely, those of airport security. There is yet to be a risk assessment undertaken of the development’s security implications. In addition to this, the curfew is being ignored at Sydney airport. BA15 is due in at 5.15 am, QF6 at 5.20 am, QF2 at 5.30 am and SQ221 at 5.50 am. All these are breaches of the legislated curfew, passed by this parliament, which states that Sydney airport remain closed to passenger aircraft between 11 pm and 6 am. These are breaches in the schedule, for which Sydney airport has no answer. This development and airport are out of control and are not servicing the needs of the residents and the community around that airport.

**Franchise Sector**

Mr CIOBO (Moncrieff) (10.50 am)—I am pleased to inform the House that yesterday—Wednesday, 8 February—was Australia’s National Franchise Appreciation Day. It may be a day that does not receive widespread coverage. It may be a day that many people would wonder about the relevance of. But, in reality, National Franchise Appreciation Day is a day worth celebrating. National franchises operating across Australia employ over 600,000 people. That
is something that certainly should be celebrated and appreciated. Some 64,000 workplaces employ those 600,000 Australians. In addition, franchises certainly play a crucial role in training up young generations of Australians for the kinds of skills they need in order to go on and forge successful careers for themselves in business and, indeed, in empowering a number of Australians to operate, start up and own their own businesses.

The Franchise Council of Australia represents some 600 franchise companies and professionals who support franchising as a way of doing business. Among its objectives, the Franchise Council of Australia seeks to set an international standard of best practice for Australian franchise systems and to create a strong and financially viable franchising sector. The Franchise Council of Australia’s board of directors is comprised of representatives from all states and territories in Australia. It views its role effectively as one of proving essential support to the franchise industry by offering practical information; providing a directory of member franchisors and service providers, such as consultants, lawyers and accountants; advertising franchise events scheduled around the nation; and offering extensive franchise education programs.

Yesterday I had the distinct pleasure of being awarded the Small Business and Franchise Politician of the Year 2006. I am truly humbled and honoured that I have been selected to be the recipient of this award. Meeting with CEO Richard Evans, Stephen Giles, John O’Brien, Steve Butler, Phil Ciniglio, Stephen Hansen, John Longmore, George Yammouni, Noel Carroll, Chris Malcolm and Ken Rosebery—all of whom represent some of Australia’s leading franchisees and franchisors—certainly gave me the opportunity to express to them my sincere desire to ensure that the Howard government and its Treasurer, Peter Costello, continue to have the opportunity of ensuring that the big-picture economic functions of the Australian nation, through the Australian government, continue to go from strength to strength.

In summary, I have raised—as I did in my first speech on 13 February 2002—my absolute commitment to working hard for the 34,000 small businesses on the Gold Coast, which on a per capita basis is the small business capital of Australia. I intend to be a very strident advocate for those small businesses. The role of government surely at its very least is to make sure that the Australian economy remains strong. Peter Costello as Treasurer and John Howard as Prime Minister have delivered that strong economy to the Australian people. We have simply set in place the kind of business environment that businesses need in order to employ people, to generate wealth and to go from strength to strength. In this vein, the Small Business Council of Australia and the national Franchise Council of Australia play a crucial role in ensuring not only that that message is communicated but also that the federal government is aware of concerns that the small business and franchise sectors have.

In an area of increasingly volatile and shifting consumer preferences, it is important that small businesses are well equipped to deal with the ever-changing environment. In that respect, I am very pleased that the Howard government continues to lead reform, despite complex opposition from the Australian Labor Party, which seems, on the one hand, to enjoy the fact that the Australian economy is going so well but, on the other hand, seems to be doing all it can to prevent us moving forward. In that vein, I am very pleased that we have been able to tackle some of the big issues, such as industrial relations reform.

Regarding the Gold Coast, I am very pleased to say that the Howard government has been a strong supporter of a sector that employs the vast majority of Gold Coasters in one industry,
the tourism industry, through the tourism white paper and the investment of some $800 million over four years. It is crucial that we recognise that small business truly is—although it is often considered to be clichéd—the engine room of the Australian economy. I will continue to push for new measures that give small businesses a chance, such as the launch of the business.gov.au website, the launch of the revamped Building Entrepreneurship in Small Business program, as well as changes to the Trade Practices Act. I thank the Franchise Council of Australia for the award. It was my honour to receive it.

Australia Post: Northgate Mail Centre

Mr SWAN (Lilley) (10.55 am)—I am here to raise the issue of the proposed closure of the Australia Post Northgate Mail Centre in Brisbane, a facility that I was proud to open on 28 April 1993. In the 13 years since it was opened, the centre has grown into a profitable and serviceable facility and is of tremendous importance to its surrounding community. It has been brought to my attention that Australia Post has plans to close and move the Northgate Mail Centre 50 kilometres to the south. This is an issue of very significant concern to me and of great importance to the 500 staff who currently work at the centre.

I am informed that the plans are well advanced and that Australia Post has not had the courtesy to brief the local member—or it has taken the deliberate decision not to brief the local member—about these plans. I am particularly concerned about the impact on the workforce—approximately 500 people—many of whom are part-time staff and many of whom are working mothers. These employees are not necessarily in a position to easily relocate; indeed, for many of them it will simply be impossible. The Northgate Mail Centre is a stable and convenient workplace for these people and the proposed move would be to the detriment of their working and family lives.

I am at a loss to understand why Australia Post wants to move, given the current location of the centre. The centre sits in close proximity to the Gateway Arterial Road, Brisbane Airport and the port of Brisbane. The centre sits at the geographic heart of Greater Brisbane, an area with a growing population of over 1.75 million. It lies at the centre, or the apex, if you like, of the southern Queensland transport infrastructure. It is a modern facility that is poised to take future advantage of a growing market in a growing area. It is currently accessible, profitable and extremely successful, both as a business and as a place of employment for many. So the proposed move of the Northgate Mail Centre, which will see it relocated at Yatala, 50 kilometres to the south, is simply not good logic in my view. Australia Post has not taken the time to explain the economics of such a move. The consequence of that is that many of the current employees are alarmed and worried about their future.

Such a move would have devastating consequences for many of the employees. To begin with, there would be the daily commute from the Brisbane area of something like 100 kilometres. Many of the employees currently live to the north and to the west. For them, the commute would be much longer. So I do not understand why Australia Post is going to take a decision which will have such a dramatic impact on its workforce and could lead to, in effect, the summary dismissal of a large number of workers who would simply not be in a position to uproot their families and engage in the sort of commute that Australia Post expects them to do. Indeed, for many part-time workers, particularly married women, that would simply be impossible. Australia Post is moving to use part-time workers more and more, and it simply
would not be economical for anyone who is a part-time worker to engage in such a long commute.

That is before you begin to discuss access to the essential services that enable people to mix their working and family lives, such as child-care facilities and public transport. The proposed move to the south would see those working at this facility without any access to child-care facilities or public transport. Indeed, the new centre will simply be located away from all of these essential facilities, which are so necessary for any business that is a large employer of labour. Australia Post is yet to outline how it proposes to cope with those challenges in the event that most of the workers are unable to move. Many workers, if they were inclined to follow Australia Post that far south, would require a second car. They would be looking for a lot of assistance with transport. As I said before, this does not take into account the devastating effects on the work-life balance, which is so important these days to the productivity of the workforce. I fail to understand why Australia Post is engaged in this move. I fail to understand why there has been no consultation with me, the local member. I serve notice on Australia Post that, if it continues to go down this route, it will meet fierce opposition.

Richardson Electorate: Poker Machines

Mr RICHARDSON (Kingston) (11.00 am)—I rise today to inform the House about a very important issue which faced my local community recently—that is, the issue of poker machines. More importantly, I rise to publicly acknowledge and thank the hardworking local residents in my electorate of Kingston, who fought exceptionally hard to stop a new pokie venue being established and bringing into the area an additional 40 poker machines. It was announced in 2005 that a currently vacant building on the corner of a very busy intersection in Morphett Vale would be turned into a pokie palace, with a small eating area, a bar and, most importantly, 40 new poker machines. As you can imagine, the local residents were outraged at that possibility and joined me in a campaign to have the establishment of the venue stopped. The proposed venue was only 100 metres from a hotel with 32 existing poker machines and only 60 metres from residents, whose lives would have been in turmoil.

On Wednesday, 25 January, the City of Onkaparinga’s development assessment panel heard the application. The council planner had in fact recommended the application be approved. However, the panel heard representations from a number of local residents and groups, including the state member for Mawson and shadow minister for the southern suburbs, Robert Brokenshire; the state Liberal candidate for Reynell, Gary Hennessy; and me. In my submission to the panel I relied upon my experience as a former police officer to discuss the disastrous effects the venue would have on traffic in the area as well as the impact the limited parking and the noise emitted from the venue would have on local residents.

As a resident living in the southern suburbs and with the experience of being a former sergeant of police, having worked within the southern area for more than six years, I have seen first-hand the increased noise level from premises such as this, along with the many vehicle and patron issues that arise from a licensed premises operating into the early hours of the morning in a local suburb. As a former police officer and police youth officer, I have seen first-hand the impact on families of problem gambling addiction—that is, the trauma, separation, violence and suicide, particularly within an area which has a large percentage of low-income earners and hardworking families. Based on the strength of the representations from
local residents and groups and the submission of in excess of 2,000 signatures we had obtained opposing the application, the panel voted to reject the development.

In 2005, following extreme pressure from a No Pokies MLC in South Australia, the Rann Labor government passed legislation reducing the number of poker machines permitted in hotels. But the legislation also included a loophole enabling clubs to avoid the reduction and even increase their holdings and create new venues, such as the one which was proposed for my area. The concept behind the Club One format is a rewarding one for local sporting and community groups, and I support that, but depending on the proposed locations it could create more issues and concerns than benefits.

I would like to take this opportunity to thank the local community for their support, particularly those organisations and individuals who made submissions to the panel. In a very short period of time, we were able to gain in excess of 2,000 signatures on a petition opposing the development. This particular portion of my electorate is full of hardworking residents and families who are genuinely concerned about the future of their area and the impact this venue would have on their children. This was a great result for residents of Adelaide South and shows what can be achieved when local members work together with their residents to make sure their area remains a great place to live, work and raise a family.

Mr Robert Stein

Mr BOWEN (Prospect) (11.05 am)—Today I wish to inform the House of the achievements of Robert Stein. Bob Stein died in January this year and in this, the first sitting week of the year, I want to inform the House of Bob’s achievements and pay tribute to him. Bob was born in 1928 into a family of Smithfield pioneers. Even in 1928 his family was one of our area’s longstanding institutions, having been major players in the local wine industry, which is now extinct but which was one of our area’s major industries in its early years.

He attended Smithfield Public School, which incidentally was the same primary school I attended approximately 40 years later. In 1951 Bob married Lorna, and soon Andrew and Megan were born. Both Andrew and Megan still live in our area. In 1970 Bob and Lorna started Smithfield Hire, which became an institution in its own right. Smithfield Hire was not only used heavily by local businesses, but many Smithfield families used to go down to Smithfield Hire to rent various essentials for parties and family get-togethers. As well, many local community groups—

A division having been called in the House of Representatives—

Sitting suspended from 11.07 am to 11.22 am

Mr BOWEN—As I was saying, many local community groups came to rely on Smithfield Hire for their functions. A non-profit group could be sure to find a sympathetic ear in Bob when they needed chairs, tables or any other variety of equipment for their charity activities. Bob joined what was then called the Rotary Club of Smithfield and was later awarded a Paul Harris Fellowship, the most significant award that Rotary has. The Stein family tradition carries on with Bob’s son, Andrew’s, involvement in Smithfield Rotary Club’s successor, the Wetherill Park club.

In 1981 Bob suggested to Fairfield City Council that the former council chambers on Horsley Drive at Smithfield be purchased and turned into the Fairfield City Museum and Gallery. Council wisely accepted Bob’s suggestion, and the Fairfield museum is a wonderful fa-
cility that many residents and visitors to the city have utilised. His family name is honoured at the museum by the Stein Gallery. Bob of course became the first president of the museum. His wife, Lorna, and he were involved for many years in the museum. In 1991 Bob was declared Fairfield Citizen of the Year, an achievement that has not fallen to many.

In 1986 Bob and Lorna revived the family’s tradition of winegrowing by opening the Robert Stein Vineyard at Mudgee. The vineyard took Bob and Lorna to Mudgee, but their hearts were always in Smithfield. They were to be regularly seen at community events. I personally remember Bob being very proud of his heritage at the 150th anniversary celebrations of our old school, Smithfield Public, in the year 2000. Bob cared deeply about his community. I dare say that the only thing he cared more about than his community was his family: Lorna, Drew, Megan and grandchildren.

Bob Stein was not a passenger in life. He believed in making a difference. His life can be an inspiration. His deeds, of course, will not die with him; they will live on. In some ways Bob Stein will be alive while ever the Fairfield museum continues to exist. In some ways he will always be alive while ever people remember his kindness and humanity. His legacy will certainly live for as long as his family continues his tradition of service. I express my sympathy in the House, as I have done privately, to his family. May Bob Stein rest in peace.

New South Wales Government: Water Management

Miss Jackie Kell Y (Lindsay) (11.24 am)—I would like to continue the remarks that I was making in this chamber earlier about the haphazard way in which the New South Wales Labor government has been chopping and changing its decisions on how to deal with Sydney’s water crisis. It has shelved the plans for the desalination plant and its alternative plan is to undermine the substrate of Penrith and cause all sorts of anxiety to my constituents.

I have no doubt that the government made the right decision to stop the Kurnell desalination plant. As many have already said, this was a mad decision in the first place. Our water situation is getting worse because of the escalating amount of greenhouse gas and the effect that this has on the atmosphere. The state government’s decision to build a desalination plant would have required an entirely new coal-fired power station. Just one power station for that one desalination plant would have pumped more greenhouse gas into the atmosphere—not to mention the concentration of salt in the ocean. And that was simply to solve a water problem that the government had created in the first place.

The desalination plant was a typical slapdash decision by the state Labor government, which has spent a decade failing to plan for the water needs of Sydney but which has continued to build more houses, particularly on the outskirts of Sydney, in my area, and which has given us no infrastructure or any way to have a sustainable built environment. As James Woodford wrote in today’s Sydney Morning Herald, there is a real concern that, if the government presents the suddenly discovered aquifers as a guarantee against drought, we will continue to consume 400 litres per person per day and the limited supply of ground water will see us facing another crisis in a couple of years.

There is also the Perth example. According to Dr Tim Flannery’s book The Weather Makers, the city mined the subterranean water known as the Gnangara mound for a quarter of a century. He said:
For a quarter of a century the city mined this water, but the failing rains meant that it was not recharged. In 2001 Perth received virtually no water, and by 2004 the situation of the Gnangara Mound was critical with the State’s EPA warning that extracting more water would threaten some species with extinction. Today, the western swamp tortoise only survives because water is pumped into its habitat.

However, if there is a limited supply of subterranean water and the drought continues, I do not see how they can continue replenishing the supply.

The state government of New South Wales is completely failing in its duty to manage the state. Only this week I found that it is planning to close the RTA offices in Katoomba and Springwood, which will impact on residents in an already crowded Penrith RTA office. I cannot understand why the government would make a decision to close both offices in the Blue Mountains. It just seems to make decisions on the run. It makes announcements haphazardly without considering the impact on people’s lives, especially people in surrounding suburbs.

I am no environmental expert, but it is well known that the decisions we make will lead to change and this will always have consequences, some unforeseen. What will this new aquifer mean for the people of Penrith if their underground water is taken for drinking water? Has the state investigated the consequences of this decision? What impact will it have on what is happening above ground? What happens when the water runs out? Will the water have to be replaced if we have a wet season, meaning that our dams are not being replenished?

Before the state government sticks its thirsty pumps beneath the Nepean, I want to see what effect it will have on the rest of the environment in my area. I was a member of the Standing Committee on Environment and Heritage, which inquired into sustainable cities. We found that Sydney is one of the worst recyclers, recycling less than three per cent of its waste water and pumping about 450 billion litres—75 per cent of its annual water usage—into the sea as barely treated sewage.

The bulk of the water is not drunk by us or used as drinking water, potable water. It is actually used in the garden, for washing the car, in business. I never liked the idea of drinking treated water. But I present the example given to our committee that the state of Israel recycles its water 19 times before it is discharged into the ocean. We can certainly be doing better.

I refer to the report that the committee has done and recommend that people look at it in terms of the safety of recycled water—not only to drink, but, if they do not like that, considering the concept of a third pipe to start recycling and using some of that 450 billion litres of water that we capture and discharge every day. The treatment of waste water is a far more efficient option than desalination.

The DEPUTY SPEAKER (Mr Lindsay)—The member for Lindsay may have got a few more seconds than she was due, due to nondiligence during the change in chairs.

**Jezzine Barracks**

Mr KELVIN THOMSON (Wills) (11.29 am)—Mr Deputy Speaker Lindsay, I look forward to your response in due course to my remarks. I want to take this opportunity to update the House on a regrettable example of government arrogance. In this case, I want to refer to the proposal by the Commonwealth to dispose of Department of Defence land known as Jezzine Barracks/Kissing Point, an area with important historical and heritage values at the western end of Townsville’s Strand.

MAIN COMMITTEE
The Townsville City Council, led by the mayor, Councillor Tony Mooney, has established a community alliance to save the site. This alliance includes the local RSL, members of the National Trust and many historical and museum associations. They have already gained the support of thousands of local people, through petitions and displays around the community, to retain the whole site in public hands to allow the community full access to this magnificent piece of Townsville.

Unfortunately, the Department of Defence, through its Future Options Study for Jezzine Barracks including Kissing Point, has sought to ignore the community’s clearly stated demand to preserve the whole of Kissing Point and Jezzine Barracks for the community. What is worse, it has attempted to cover this up by misrepresenting the community’s views on this vital issue. On 24 November 2005, Olga Strachan, Assistant Director, Property Disposal Task Force, stated on Townsville local radio, immediately after the release of the government’s preferred options for the site:

Well we’ve had some feedback through the email on the hotline and the telephone hotline ... but we haven’t had a lot to date ... we haven’t had a great deal of response. We’re hoping that people are waiting to see what the options are ... and then come in and actually talk to us about them and then make some comments back.

The member for Herbert directly contradicted these comments in a media release. In his statement of 19 January 2006, he said:

The reference group received more than 2000 submissions and they were considered in detail—they then released the preferred options.

The question is: who is telling the truth here—the public servant who says there were hardly any comments or the member for Herbert who says they were inundated with feedback?

The Townsville City Council has asked for copies of all public submissions made to the future options study. This request was bluntly refused, despite the council being happy to hand over its own detailed submission when the member for Herbert requested it. The issue is: what has the government got to hide on this issue? Not only has the government shut up shop on its public consultation; one of the lines it has consistently run is that the housing it will build on the site will be used to house Defence personnel. On 21 November, the member for Herbert stated:

The balance of the land stays in the ownership of Defence and it’ll be used for Defence purposes, that is housing for our soldiers and the men and women of the ADF.

However, in an embarrassing revelation the government has now admitted in a public newsletter, released in the last week, that there will be privately tenanted residences in the housing estate at Kissing Point.

The local council, through its own exhaustive public consultation, knows that the public does not support the government’s plans for Kissing Point and Jezzine Barracks, and it is regrettable that we are not getting this support coming through from the member for Herbert. It is important that the member for Herbert represents his local community rather than repeatedly choosing to push the Canberra line, to the detriment of his local community. I urge the member for Herbert to have the courage to take on the senior bureaucrats in the Department of Defence and his political masters in Canberra rather than to lie down and allow a huge part of Kissing Point and Jezzine Barracks to be lost as a housing estate.
Ms GAMBARO (Petrie—Parliamentary Secretary (Foreign Affairs)) (11.34 am)—It is quite opportune that I am in the House when the member for Wills is speaking about the member for Herbert. I know that the member for Herbert has been a very hardworking advocate for the people of Townsville, including representing them with regard to the Jezzine Barracks site, and I want to thank him. He was very diligent in his representation and continues to be so. But today I would like to speak about smartraveller.

I have recently been appointed as Parliamentary Secretary for Foreign Affairs, a position I feel very privileged to hold. Each year, a huge number of Australians, including constituents from my electorate of Petrie, travel overseas. We have always had a great yearning to travel overseas, experience other cultures and absorb the lifestyles that many countries have to offer. These days it is almost a rite of passage for young Australians to spend prolonged periods overseas or to visit regularly. But there are risks associated with buying a plane ticket and heading out of your comfort zone. The risks include sickness, accidents, imprisonment and natural disasters. Given the world’s political climate today, there are increased safety issues relating to civil unrest or terrorism.

The federal government and the Department of Foreign Affairs and Trade want to ensure that Australians are well informed and that the decisions they make before they go overseas are based on accurate information about the risks. We provide consular assistance if they run into trouble. Australians make four million trips a year—an absolutely amazing number. Raising awareness about travel advice is an important function of the department. Travellers need a source of up-to-date and reliable information to assist them to minimise the risks they face overseas. With this in mind, the Minister for Foreign Affairs, Alexander Downer, launched the smartraveller public information campaign on 7 September 2003. It is a key tool of the department’s preventative consular work and the government takes it very seriously. The use of the smartraveller website has steadily increased over the life of the campaign and is now registering more than 44,000 hits per day.

We would like to see the smartraveller website become an integral part of the pre-trip routine of millions of Australians before and during their trips abroad. Being aware of conditions in their planned destinations before and during their overseas trips will help Australians make better informed travel decisions. This is where smartraveller comes into its own as a one-stop shop for vital information, country by country. The smartraveller website and every travel advisory encourages Australians to take out travel insurance and register their presence overseas online with the department. Travel insurance ensures that help is at hand in the event of an unforeseen emergency and can save people from crippling medical expenses. Registering online ensures that the department can contact people in an emergency situation and it reassures worried relatives and friends.

We are currently witnessing protest demonstrations in several Middle Eastern countries. Safety and security overseas can alter dramatically in a very short time. The Department of Foreign Affairs and Trade responds very quickly to those changes, updating the relevant travel advisories and websites. The department plays a critical role when people are away from their family and friends in a foreign land and feeling at their most vulnerable. For many would-be travellers, the federal government’s smartraveller website is becoming their first port of call...
before they venture overseas. We would like to see as many Australians as possible using the website and accessing the latest travel advice.

It is a very good idea for Australians to subscribe to smartraveller and receive the free automatic updates of travel advisories. Travel advice can be accessed on an automated smartraveller phone service. The number is 1300 139 281. There are smartraveller kiosks located at Sydney, Canberra, Melbourne and Adelaide airports and at the Sydney and Canberra passport offices. I would like to thank the travel agents who have registered. They play a very important role in this, and we are endeavouring to recruit more travel agents. In essence, the smartraveller website is helping Australians to help themselves and save their families a whole lot of heartache and worry when they are overseas. We want people to be safe and happy when they travel. By logging onto smartraveller they will be doing themselves and their families a favour.

Forestry

Mr ADAMS (Lyons) (11.39 am)—I would like to take this opportunity to again talk about the timber industry in Tasmania, particularly as there has been much time and energy spent developing the guidelines for a new pulp mill in Northern Tasmania. We Northern Tasmanians owe it to ourselves to give the proposed pulp mill project every opportunity to prove that it can meet the Tasmanian government’s tough environmental standards. The potential economic and employment benefits are huge. The mill will require 4,000 workers during the construction phase, and more than half of those will be employed at the Long Reach site itself. Those 4,000 workers will have money to spend on accommodation, food, clothes, petrol, dry-cleaning and other goods and services. An influx of that magnitude will have an enormous effect on the turnover of so many different businesses, enabling many to expand and employ more staff. It is important for all Tasmanians that it goes ahead.

Those who oppose it because of the necessity of harvesting trees should be reminded of a recent report that found that millions of dollars worth of timber imports into Australia are from black market logging operations. The local furniture industry claims that jobs are being lost and businesses are being forced to close because they cannot compete with the cheap illegal imports. The report, entitled Overview of illegal logging, by Jaakko Poyry Consulting, found that black market timber was used in furniture, paper, woodchips and wood panels. According to this report, about nine per cent of all timber imported into Australia is illegally logged.

This black market trade, which is coming into Australian ports mostly from Asia, is estimated to be valued at $400 million per year. It certainly affects the downstream processing industries, because when wood is imported it disadvantages our suppliers by competing unfairly with legally supplied timber. Local firms would much prefer to use local timber, as they know its quality, they know where it comes from and it can be traced through all its processing, which allows much better quality control. But they have to compete in the marketplace with illegal wood suppliers with respect to both made up furniture and the raw material itself. The problem is believed to emanate from organised criminal logging rackets in Asia, particularly in Indonesia and Malaysia. This could worsen, too, because large volumes of imported furniture from China are suspected of being made from timber illegally felled in Indonesia and Malaysia.
Few people in Australia really understand what is happening, although the industry is very concerned about this. It is felt that it is high time that the industry established a company based certification system to tackle the problem. Tasmania has been talking about this for some time and wants to ensure that Tasmanian timber is marketed as a certified product coming from a named site with named qualities about the timber. This is at the moment in the process of being introduced. Although the government here has raised the issue with Indonesia, where the report estimated that up to 80 per cent of all timber is illegally logged, growing restrictions on the local timber were increasing Australia’s reliance on imported timber.

This is a warning to the Greens and others who purport to be trying to save the forests in Australia. Do they really prefer to allow our forests to age and deteriorate while huge amounts of imported timber flood our market and put our workers out of work? Should we take the cleverer path and make sure we use our timber wisely, efficiently and sustainably, allow our ageing forests to be replaced where they can be and have more trees planted across the nation to supply an industry that is one of the oldest and yet most far seeing of all the industries in this country? Those opponents of the pulp mill should look past the end of their noses and see what is happening. Let us use our materials to develop our industries and our jobs. Let us continue to grow this exciting resource across our nation. Think about this next time you set off to buy some furniture. Look at the label and look at the quality of the timber.

Mr Tom Javor
Mr Pat Trainor
Mr Stephen Ernst
Mr Ron Watts
Mr Mark Osterstock

Mrs DRAPER (Makin) (11.44 am)—I rise to pay tribute to some outstanding members of the community in my electorate of Makin, the first of these five people being Mr Tom Javor. Tom has lived in the local area since 1966. Mr Javor dedicated 20 years of his life to the Army Reserve, matching the rank of warrant officer. Tom studied economics at university and has worked in a diverse range of industries over many years. Tom also dedicates a lot of his time to his local Neighbourhood Watch as a secretary and newsletter editor. Tom Javor is standing as the Liberal candidate for the state seat of Playford. The issues he is standing for are: reinforcing the importance of law and order in the community, encouraging community based and other crime prevention programs, improving local roads and traffic infrastructure, paying special attention to the needs of children, families and the elderly, and he will fight for cheaper electricity for our community. I commend and thank Tom Javor for his work and what he is standing for.

I would also like to pay tribute to Mr Pat Trainor. Mr Pat Trainor has lived in the local area for most of his life, completing his high schooling at Salisbury East High School. Pat has dedicated a lot of his life to the local community. He is involved in local sporting clubs and various other community organisations, including being a current member of our local RSL. Pat is very passionate about the youth in our community. He is currently a member of the board of the In 2 Life program, a charity that runs mentoring programs to reduce suicide amongst young people. He is also a trustee of Viva South Australia.
Pat is currently working as a civil engineer, consulting industry and the corporate sector. Pat was also the local pastor in the north-eastern area, and prior to that worked as a construction engineer and project manager. Pat has studied at university and currently holds a degree in civil engineering and a masters degree in conflict management. Pat also served in the Australian Army Reserve for eight years. As Pat Trainor is standing as the Liberal candidate for the state seat of Florey, the issues that he is standing for and fighting for include: a reduction in stamp duty on land tax, a reduction in the price of essential services like electricity, raising the literacy level of primary school students and reducing third generation unemployment.

I would also like to take this opportunity to pay tribute to Mr Stephen Ernst. Stephen is also heavily involved with our local community, having lived here for 12 years and living currently in Salisbury East with his wife and three children. As a training coordinator and a former long-serving police officer, Stephen has a strong commitment to his local community, which is evident through his involvement with local sporting clubs, resident and service clubs such as chairing the Tea Tree Gully Carols. Stephen is a founding member of the Golden Grove Community Association, which is committed to providing community help for local residents.

As Stephen Ernst is standing as the Liberal candidate in the seat of Wright, the issues that he is standing for are: fighting for family and community values, creating opportunities for our children, continuing to pressure the government for an effective police station, supporting older people in our community and working with small businesses to help them grow. I commend and thank Stephen Ernst for his work.

Another person I would like to pay tribute to is Mr Ron Watts. Ron has both lived and worked in the northern suburbs since moving from Sydney in 1973. He is heavily involved in our local community, currently employed as the manager of the Northern Business Enterprise Centre. Ron also has qualifications in textile technology. He is an associate fellow of the Australian Marketing Institute, sales and marketing and business management. Ron was awarded national business enterprise manager of 2005. Ron was Elizabeth Citizen of the Year in 1989 for his work in youth employment and training. His community involvement also includes former president of the Elizabeth Chamber of Commerce; he was the founding chairman of the Elizabeth and Munna Para SkillShare; he has 20 years service with local Rotary clubs including Munna Para, Elizabeth and Playford; he is a former local councillor; and he is a member of the Playford-Salisbury Sustainable Region Advisory Committee just to name a few.

I commend and thank Ron for his work and what he is standing for in our community. As Ron Watts is standing as the Liberal candidate for the seat of Little Para, these are some of the things he stands for: child care, supportive aged care available locally, engagement of young people in self-determining activities, promoting community values, greater assistance with self-funded retirees and a better mental health system.

Finally, I would like to pay tribute to Mr Mark Osterstock. Mark is another outstanding member of our local community. He has been in the north-east for more than 15 years. Mark served as a non-commissioned officer in the Royal Australian Air Force for eight years and received the Australian Service Medal for service in South-East Asia. He has been a police officer for 15 years and a police prosecutor for three years at Holden Hill criminal justice section. He is also a local Tea Tree Gully councillor. (Time expired)
Ms CORCORAN (Isaacs) (11.49 am)—The Cheltenham RSL Village was established in Cheltenham in 1962 to provide affordable, independent living units for retired ex-service personnel and their spouses. There are 100 units in the village and currently about 90 residents. These residents are proud of the community that they have. The village is now run by Vasey RSL Care. Vasey has a number of aged care facilities across Melbourne, including three in the southern metropolitan area, that will not meet the Commonwealth government’s building certification requirements by 2008.

Vasey has decided to address this problem by combining all of these facilities into one new facility and locating that new facility on the Cheltenham RSL Village site. The residents of the Cheltenham RSL Village learned of these plans when Vasey wrote to them on 19 January 2006 and told them they had to vacate their premises by August 2006. Vasey have set out various options the residents can choose from, and residents have been given until the end of March to make their decisions. Understandably, these residents are very upset, worried, and quite distressed. Many residents have lived in the village for a long time and have established important relationships with nearby medical services, they have made friends in the area and many have family living nearby. To tell these people to move out is extraordinary. Some residents are worried about having to pay more rent than they are at present in Cheltenham. Others are feeling pressured and distressed because of the relatively short time lines.

It is clear to me that other options need to be considered. Some residents have made the excellent point that the redevelopment could be done in two or three stages, allowing many to stay on site. Another point is that guarantees should be given to residents that they will have a place in the new facility if they want one. Time does not permit me to canvass all the issues or indeed any of them in any depth. I call on Vasey to sit back and rethink their plans. No-one is arguing that renovations and renewal should not ever happen, but careful planning and particularly lots of listening to the residents and consideration of their needs and wishes have to be paramount.

On another matter, Chelsea Heights Primary School in my electorate, like so many other schools, applied for funding last year through the Investing in Our Schools program. Their application was successful and they were told that they would get $40,000 for much needed shading of their playground. That was back in October 2005. The school is now in the position of having to get quotes for the work but having no money to complete it and no idea of when they will be able to get their shade.

I received a letter from the minister in December 2004 with a time line of when applications were to be made by schools and detailing when they were to receive their money, which was going to be May or June 2005. Clearly the time lines have moved considerably. It is now February 2006—almost the end of summer—and there is still no shade or money for Chelsea Heights. The principal of the school has been in the position of having to explain to parents why the shade sails have not been installed. I would like the minister to tell the students, the teachers and the school community at Chelsea Heights when they will have their shade. Will it be this summer, next summer or perhaps even the one after that?
Finally I want to talk about Centrelink and its complicated, confusing and at times intrusive and threatening forms and letters. For example, a constituent—I will call her ‘Ms G’—approached me recently. Her daughter has just turned 16. Ms G was moved from parenting payment to Newstart and her daughter was obliged to apply for the youth allowance. Ms G’s daughter had to fill out a 36-page application form, which included probing questions about her relationship status. This was for a 16-year-old. Ms G did her best to assist her daughter in understanding and completing this process. However, she had to make multiple trips to Centrelink offices at short notice to satisfy further questions. As a recipient of Newstart, such complications make it all the more difficult for Ms G to satisfy her job-searching responsibilities, not to mention the cost of petrol for each of these appointments.

Another letter from Centrelink crossed my desk the other day. It was written to an aged pensioner and asked her to confirm that she recently took an overseas trip. The letter goes on to talk in very general but abrupt terms about payments being cut in certain circumstances and suggesting that if the pensioner does not get into Centrelink pronto the payments may stop. It is worth just reading the letter, because it is quite extraordinary:

Centrelink has a responsibility to make sure that people are receiving their correct social security entitlement. To help ensure customers’ payments are correct we match our records with government departments including the department of Immigration and Multicultural and Indigenous Affairs (DIMIA). Information from DIMIA indicates you departed Australia on 14 December 2005. Please contact us if the information provided by DIMIA is incorrect.

Centrelink payments are generally only paid outside Australia for a certain period. If you are outside Australia after this period your payment(s) may be reduced or stopped. You will be notified of any change in your payment(s) if it occurs.

Your payment will also continue to be affected by any changes that would normally have an impact on it. Your payments may stop if we cannot get in touch with you.

My constituent found this letter very threatening and offensive. Indeed, it is. I have no problem with Centrelink taking necessary steps to ensure that correct payments are being made, but this can be done in a civilised and clear manner. (Time expired)

Mr Mark Osterstock

South Australia: State Government

Mrs DRAPER (Makin) (11.54 am)—As I was saying earlier in the adjournment debate, I would like to pay tribute to Mr Mark Osterstock. As I said before, he is another outstanding member of our local community. He has also been a police officer for 15 years and police prosecutor for three years in the Holden Hill criminal justice system. As I said when we ran out of time, Mark is also a local Tea Tree Gully councillor. As Mark Osterstock is standing as a Liberal candidate for the seat of Newland, these are the issues that he stands for: increased police presence, a better mental health system and improved bus services.

This now takes me to the current government and state of affairs in South Australia. The current state Labor government is a government that cannot manage. The Rann government is the highest taxing government in this state’s history. In this financial year the Rann government will have collected $2,200 million more—that is $2.2 billion more—than in the last year of the former Liberal government. This brings me to my next question: where has all this money gone? You would think that with all this extra money things would be a lot better than
four years ago. Sadly, we all know that this is not the case. It seems that the only thing the Rann government is trying to manage is the media and not the huge problems that our state has to face.

Mike Rann pledged before the last election that he would fix the electricity supply problem, and he promised cheaper electricity. The year after they were elected, they approved a 32 per cent price increase in electricity costs in peak periods, and it has risen year after year—not to mention the fact that half of Adelaide does not have electricity when it is hot. In fact, our elderly who cannot afford their electricity bills sit outside on their mattresses next to water tanks to keep cool.

We have the national airport saga, which has now become not only a national but an international embarrassment for the state. This has gone on for too long, and the Labor government should have stepped in a long time ago to fix the problem.

Adding to that, the most vulnerable in our community, those with mental illnesses, have been betrayed. One day the Rann government is going to shut down a residential treatment facility for those with severe mental illnesses, at Glenside. The next day it is going to keep it open. How can we trust anything it says? Rob Kerin, the Leader of the Opposition, has promised to keep this facility open and provide further support services for our people with mental health difficulties.

The other most vulnerable people in our community, those with disabilities, are completely ignored by the Labor government. I have a young mum in my electorate with a child with a severe physical disability. She can no longer carry her child around, and she desperately needs a wheelchair but cannot get one because there is no money in the bloated coffers of the Labor government for people with disabilities.

Add to that the debacle of wasting $51 million on the extension of the tramline, and the trams that do not have airconditioning in the heat. Without consultation with our community, the state Labor government turned our bus service into an absolute shambles, especially for our children and elderly. Our elderly now have to walk many more metres to catch a bus. They are catching not one bus for their important medical appointments but two and, in some cases, sometimes, three buses.

We have the government wasting $70 million to $100 million on opening bridges that will barely be used. We have the wasting of taxpayers’ money on ads that are trying to convince us that everything is fine and dandy just before the upcoming election. This is a government that cannot manage, and the people of South Australia need to be made aware of the failings of the state Labor government. Our egg industry is going down the tubes. The state government refuses to help in any way.

Finally, there is a question my constituents need to ask of Frances Bedford, the current Labor member for Florey; Jennifer Rankine, the current Labor member for Wright; and Lea Stevens, the current member for the seat of Little Para: ‘When they voted in 2000 for the legalisation of prostitution and legalising of brothels in the community, which suburb or street in my electorate would they like these to be in?’ I cannot imagine that Jennifer Rankine, Frances Bedford or Lea Stevens would like to have a legal brothel operating in their street or next-door to them. But be rest assured: if you vote for Frances Bedford, Jennifer Rankine or Lea Stevens, a local community brothel is coming to a street near you. That is what they stand for.
National Security

Mr BEVIS (Brisbane) (11.59 am)—Identity theft is a particularly important issue as we deal with a whole raft of related criminal activities. Being able to ensure that documents identifying who you are, your background and your past are authentic and are not able to be stolen is critically important in our everyday life. It is particularly important when it comes to border security matters as people move from one country to another. It was in that context that I recently received some alarming advice from a solicitor who has a practice that deals in providing assistance to folk who travel overseas and people who come here.

I want to quote some parts of the email that the solicitor sent to me. It said:

I assisted a client in obtaining a police certificate fingerprint check from the AFP—

that is, the Australian Federal Police—

The certificate issued had the following characteristics: (1) an obviously scanned letterhead for the AFP; (2) a facsimile of a signature rather than the real signature, (3) a laser printed letter.

It went on to say:

I believe I could have quickly assembled a facsimile of the certificate in the form issued if I had been intent on forgery. I sent the certificate to my client as instructed and naturally it has been queried. I contacted the AFP to see if they might be able to authenticate it for the overseas government authorities. They responded—

that is, the AFP responded—

that the authorities should contact them on the telephone number supplied on the certificate and that they could authenticate it that way. The person I spoke to when asked why the certificate was not signed and why the letterhead was not used said, ‘It was all too expensive’.

This is an alarming disgrace. To have a certificate issued by the Australian Federal Police that any person halfway competent on a home computer could recreate in ten minutes is a major hole in our border security arrangements and, I have to say, makes a mockery of the government’s often touted concern about security matters. To have this produced on the basis that there are insufficient resources to actually provide an authentic document is even more concerning. To think that a person with a home computer and off-the-shelf software could recreate the document that the Australian Federal Police supply as authenticity of a person’s criminal record or lack of one defies belief, yet it is the case.

There was no printed letterhead. There was a facsimile of a signature and it was all done on a laser printer. None of it was original. Little wonder that when the legal firm overseas received this document they thought it was not an original. They actually expected that a country like Australia might have documentation that had features that made it difficult to be copied or forged, but that is not so. The reality is that this is just one symptom of a broader problem. The government seem more concerned about placing emphasis on the political spin in the debate on security than taking practical measures to deal with the problem.

The Australian Federal Police and their state counterparts are being called upon to undertake increasing roles as we deal with questions of border security and terrorism, but unfortunately little recognition has been given to that issue in the resources made available to them, and that includes in the staffing requirements. Indeed, after the 9-11 disaster of 2001, the Australian Federal Police numbers were reduced. In 2002-03 there were 3,496 AFP officers. In 2003-04, the next year, this government reduced the numbers to 3,473. It is inconceivable that...
in the year after the 9-11 disaster the government would reduce the number of personnel in the AFP. Thankfully, in 2004-05, they have increased the number by about 128—very belatedly and, I must say, inadequately. The AFP officers do a sterling job, as do their state counterparts. It is important that they be provided with the resources and support of this parliament—that is, not public relations and media releases but people on the ground and resources to do the job and, at the very minimum, the resources to provide authentic identification for people who are travelling.

Health: Queensland

Mr JOHNSON (Ryan) (12.04 pm)—I am pleased to speak in the parliament today on an important area of concern to the Queensland public and also to the Ryan electorate. This is about the Queensland health system. The Queensland health system today in 2006 is in total shambles. It is a system that is falling down and falling apart. Queenslanders deserve better. The ALP government—now led by Premier Beattie—has been in office since 1989 bar two years of the Borbidge government. Queenslanders need to be reminded of this, because effectively the administration of the health system in Queensland has been squarely in the hands of the Beattie government since 1998, when he won office, and has been in the hands of Labor since even earlier, 1989, when Labor came to power and gained control of the Queensland parliament.

Beattie continues to promise that he will fix the system and will resign if he does not fix the system. I think he should resign now. As the Queensland health system is in complete chaos, I do not see how his promises to fix the system in six months time will come to fruition, and only then will he resign if it is not fixed. I doubt very much whether Queenslanders believe that he will be able to repair the enormous damage that exists in the Queensland health system.

We all know that the Bundaberg hospital saga dominated the news last year with the Dr Death scandal. We all know that over the last few months the Caboolture hospital emergency services ward closed and that it is now operating in only a very limited capacity. In recent days we have heard about the Maryborough hospital potentially closing. Mr Fixit, the Queensland Premier, does not seem to have the magic wand in his hand to do something about this. If he thinks he can fix it in six months, he is very much overestimating the people of Queensland’s faith in him. I think in due course they will show at the appropriate time that he should take the full blame for this problem.

Mr Beattie has decided to blame the federal government, with full-page advertisements in Queensland papers—some $150,000 worth of advertisements. This is an affront to the Queensland taxpayer. It is just a complete political stunt. It is a total waste of Queensland taxpayers’ money. I call on the Queensland public, and in particular the constituents of the state seat of Indooroopilly, which is held by Ronan Lee, the Labor incumbent, and the constituents of the state seat of Mount Ommaney, which is currently held by the Labor member Ms Julie Atwood—I call on the residents of those two electorates of Indooroopilly and Mount Ommaney, which fall in my federal seat of Ryan—to really get on to their local members and say to them that this is just unacceptable—bearing in mind again that in Queensland the Labor Party has been in office since 1989 bar two years of the Borbidge government.

Recently the Queensland Premier wrote to federal members asking us to help him out of his mess. I am delighted that he has actually called Liberal members of the federal parliament
champions of Queensland. We certainly are champions of Queensland. Certainly we are more the champions of Queensland than are federal Labor members, because the Queensland public in their droves have again and again voted for Queensland federal members.

I draw the House’s attention to Premier Beattie’s letter of 6 February to all Queensland federal members. In particular, I understand there is a strong emphasis on Queensland federal Liberal members. For the benefit of my colleagues in the House, the theme of the letter is to lay blame on the federal government. Mr Beattie talks about the shortage of public and private doctors in the health system. He talks about the Queensland government taking the extraordinary step of spending more than $60 million to train additional doctors. What is extraordinary is the sheer incompetence and negligence of the management of the Queensland health system. It is about time that the Queensland public got on to their Labor members and gave them a real whack. As elected representatives of the Queensland public, those members should be working hard for Queensland.

Queenslanders deserve better. They deserve better than the absolute incompetence and negligence that they are being subjected to at the moment. They deserve better than the wastage of $150,000 per ad in Queensland newspapers. Can you imagine what $150,000 would do for Maryborough hospital? Can you imagine what $150,000 would do for placing extra facilities and services in the Caboolture hospital? I think that Queenslanders can think of better ways for this money to be spent. *(Time expired)*

**Operation Aussies Home**

Mr GRIFFIN (Bruce) (12.09 pm)—I rise in the House today to talk briefly about the situation regarding attempts being made to recover from Vietnam the bodies of two of the remaining six Australian servicemen missing in action there, believed killed. I speak of Peter Raymond Gillson and Richard Harold John Parker, who were both missing in action, killed in action, on 8 November 1965. They are two of the remaining six people who have not yet been found. I want to read from a newspaper story in the *Daily News* which described the action the two soldiers were involved in:

Both were members of the 1st Battalion, Royal Australian Regiment (1RAR) involved in Operation Hump on November 8, 1965. Mr Bourke, a retired lieutenant colonel, was also a member of 1RAR involved in the same operation.

Mr Bourke was a man who recently led a mission searching for the remains of the two veterans.

This was a combined Australian-US attack on a feature known as Hill 82, 17km north-east of the city of Bien Hoa, under overall US command.

As Lance Corporal Parker patrolled into a small clearing, he was cut down by at least four Viet Cong machine-guns. He was heard to fire his rifle several times but then fell silent.

Massive incoming fire barred the immediate recovery of his body but his colleagues organised an assault.

Private Gillson, carrying an M60 machine-gun, was climbing over tangled tree roots when he was hit. He managed to kill two enemy soldiers but was struck repeatedly by enemy fire.

On three occasions, platoon Sergeant Colin Fawcett crawled forward but each time recovery of the body was thwarted by intense enemy fire.

The Australian infantrymen then withdrew to regroup but the US commander forbade any further recovery attempts. That decision reportedly caused great dissatisfaction among the diggers.
Presumably the bodies were subsequently buried by the Viet Cong, probably not far from where they fell. Efforts being made to find the bodies of these brave young Aussies revolve around Mr Bourke and other members of his group in Operation Aussies Home, one of whom is a local resident in my electorate, Gordon Peterson. The work that they have done in trying to establish the location of the remains in order to allow repatriation and proper treatment of the dead has been quite significant. They have funded their own trips to Vietnam to search in an endeavour to contact witnesses and otherwise ascertain the location. The previous Minister for Veterans’ Affairs, the Hon. De-Anne Kelly MP, in a press release said late last year:

Mr Bourke of the Operation Aussies Home organisation has met with me and has kept me informed during his team’s visit to Vietnam. The team met with Australian and United States officials, including former soldiers who were involved in the military actions, about the possible location of the Australian servicemen’s remains.

While the passage of time has made the task in finding the remains of those missing more difficult, Mr Bourke’s team will shortly present the findings of their investigations. The report will then be considered by Defence to determine the best way forward.

Mr Bourke and his team should be commended for their unstinting efforts in trying to bring closure to these missing in action cases.

I agree totally with the previous minister with respect to the need for action to be taken. However, I am a bit concerned about recent reports about where this investigation is up to. My understanding is that Mr Bourke has recently heard back from Defence that at this stage there is an unwillingness to fund any efforts to recover the bodies because of concerns about the issue of location. An article in the Courier-Mail just last Monday said:

Veterans’ Affairs Minister Bruce Billson said while the Government was happy to provide ‘in-kind support’ it was unable to expend public money until a location was identified.

That has left the mates of the two men in a situation of now needing to find some $50,000 to fund a search of the area, when they basically believe they have settled on the locations where the remains would be found.

I urge the new Minister for Veterans’ Affairs to reconsider what he has said. I urge him to meet Mr Bourke and representatives of his group to ascertain what can be done in order to proceed further with this investigation. In a Defence budget of some $17 billion, $50,000 is not a lot of money at all. When you look at the sacrifice that these young Australians made in a conflict so many years ago, a resolution is important for closure for their families, I am sure. It is certainly important for their colleagues and comrades to try to bring this matter to a conclusion and to bring these young Australians home where they belong to be honoured for what they did.

**Stirling Electorate: Environment**

Mr KEENAN (Stirling) (12.15 pm)—Whenever I speak to people in my electorate it is very apparent to me that there is great concern about the natural environment. The environment is a subject which is very close to people’s hearts—particularly their local environment. I mean by that the local reserves, wetlands and myriad parks in my electorate of Stirling. As federal member for Stirling, I am committed to making a positive contribution towards the protection and preservation of these bushland and wetland areas. Today I want to express my
support for the hundreds of people in Stirling who are battling for the preservation of our precious wetlands, bushlands and green areas.

Although my electorate of Stirling is only minutes from the centre of Perth and is very much a part of the metropolitan area, it has 33 wetland areas. Strategies need to be put in place to ensure their long-term survival. Given that 2 February was World Wetlands Day, I cannot think of a better time to speak about this. The city of Stirling has 627 hectares of parks, gardens and developed reserves that need protecting. They are there today for everyone to enjoy and I want to make sure they are there for future generations to enjoy. Those 627 hectares equate to six per cent of the electorate. With six per cent of the electorate reserved for recreation, you can understand why such a large number of constituents are campaigning not only for its retention but also for its preservation.

Along with the 33 wetland areas, swamps and natural lakes, and 500 hectares of bushland, Stirling’s residents can choose from 65 major active sporting areas and 700 passive recreational reserves. Play equipment is located on most of these reserves and there are regional playgrounds located throughout the city. Special facilities for people with disabilities are provided at the popular Clarko Reserve, in the beachside suburb of Trigg, as well as at Yokine and Dianella reserves. The City of Stirling, which by and large does a very good job, is redeveloping many of its key reserves. They will become known as community parks, giving the people of Stirling an even greater choice for their recreational pursuits.

The main environmental groups that operate in my electorate have my full support. They include Friends of Trigg Bushland, Stirling Coastcare, Friends of Dianella Bushland, Friends of Star Swamp Bushland, Friends of Carine Wetlands, the City of Stirling Natural Environment Advisory Committee, Friends of Lake Gwelup and the Stirling Wetland Action Group. I pledge to do everything I can to help them preserve Stirling’s natural environment.

It is a political myth that the coalition parties somehow have less regard for the environment than some other parties represented in this place. I totally reject that. I point to the very proud environmental record of the Howard government, which I believe is second to none in the history of the Commonwealth. There are a couple of things I can point to. Most importantly, there is the $2 billion Natural Heritage Trust, which was funded from the sale of the first tranche of Telstra. Then there was the establishment of a nationally agreed vision for environmental education in schools—Educating for a sustainable future: a national environmental education statement for Australian schools—which allows students to receive science based quality information on environmental issues.

I can also point to the introduction of the $200 million Community Water Grants program, which provides funding of up to $50,000 for community groups to encourage the wise use of water. This is an issue which is coming to prominence on the national agenda and it is obviously very important in a country as dry as Australia. The $2 billion Australian Water Fund represents a significant investment in infrastructure. It improves knowledge and water management practices in the stewardship of Australia’s precious water resources. Finally, the government recently announced the $1.8 billion climate change strategy, which is designed to reduce national greenhouse emissions. (Time expired)
Thursday, 9 February 2006

House of Representatives

Main Committee

Charlton Electorate: General Practitioners

Ms Hoare (Charlton) (12:20 pm)—I rise today to speak of two very important local campaigns in neighbouring communities in West Lake Macquarie in my electorate of Charlton. Both campaigns have been a part of a wider community movement to bring more doctors to regional areas. There is a massive shortage of doctors in my electorate. The shortage is nowhere more acute than in the rapidly growing communities of Wyee and Morisset and surrounding areas. The doctors we have in Bonnells Bay, Dora Creek, Cooranbong and, until recently, Morisset are excellent doctors who are hardworking and who have earned the respect and gratitude of the community. The only problem is that they are overworked and many cannot see new patients. Obtaining an appointment can be very difficult, and bulk-billing is very hard to come by.

The community of Wyee lost its doctor over two years ago and the town was left with the need for a replacement. The loss of the Wyee doctor meant that the only option for many people was to travel to Wyong Hospital and sit in accident and emergency for hours until they could be seen by a doctor. This placed pressure on the already stretched public health sector because there was no local GP to do this essential work.

Morisset lost its GP in November last year. A similar situation now exists there as existed in Wyee: families are forced to travel to Wyong or up to John Hunter or Belmont hospitals to seek general medical attention. Sadly, many people went without medical attention in times of need because they could not get to the hospital or did not want to cause a fuss. The consequences of this are too frightening to think about.

Following the departure of the doctor from Wyee, I joined with the community and commenced a campaign to get a new doctor for the town. I am pleased to say that in January of this year the new Wyee medical practice opened, giving local residents access to a local doctor who bulk-bills.

For over two years now, the Wyee and Wyee Point community have been fighting for a new doctor. I was overwhelmed by the support the campaign received from local residents. It was this support which was crucial in obtaining concessions from the government and which has brought a doctor and a brand-new practice to the town. I would like to place on record a very warm welcome to Dr Pravesh Shah on his move to Wyee. Together as a community we have worked to get Wyee’s medical services back.

A few weeks ago we commenced a campaign in Morisset to find a new doctor, and I am pleased to announce that, after very quickly arranging for a petition of over 1,000 signatures, we have forced the government to supply a provider number for a doctor to commence practising in Morisset. We are now involved in finalising some of the associated technical details. This is fantastic news for Morisset, Cooranbong and the peninsula and I look forward to welcoming a new doctor to the area in the very near future.

The successful community campaigns in Wyee and Morisset are great examples of how grassroots based work can bring about change. I would encourage all people who think something must be done to make their town a better place to get involved in community work. As the people of Morisset and Wyee have shown, it does work. It does not always require a huge effort—it can be something as simple as signing a petition. But involvement is the key, and the communities of Morisset and Wyee have shown this to be the case.
The fight for more doctors continues in my electorate. As rapid population growth occurs, we must ensure that we have enough social infrastructure, including doctors, to cope with the ever-increasing pressure on these services. I commend the people of Wyee and Morisset on their efforts and look forward to continuing to work with the community on a range of issues, particularly in our attempts to encourage additional doctors to relocate to our area.

Health: Queensland

Mr NEVILLE (Hinkler) (12.24 pm)—In typical Beattie government fashion, the spin-doctors have been out to try to justify the state government’s position on health. In recent days, Queensland’s print media has been inundated with half-page and full-page ads on behalf of the Beattie government—paid by the taxpayers, I might add—in an effort to try to shift the blame for the state’s decaying health system onto the Commonwealth. This is after Peter Beattie said he would take full responsibility for the state’s health system.

Let us look at the true situation. Since the coalition took office in 1996, Queensland’s population has increased by 21 per cent. Over the same time, the number of medical graduates in Queensland has increased by 25 per cent. By comparison, under the Hawke and Keating governments, between 1983 and 1995 Queensland’s population grew by 30 per cent. But, to the shame of those governments, over the same period the number of medical graduates decreased by 6.3 per cent.

Mr Beattie’s ads fail to take into account the vast increase in medical school intakes since the year 2000—notably, Mr Deputy Speaker Lindsay, in your own electorate. Since then, Queensland has gained three new medical schools—Griffith University, James Cook University and Bond—providing 160 publicly funded places. Alongside of that, the University of Queensland is turning out 243. So, as I speak, there are more than 400 publicly funded first-year medical students in Queensland universities, in addition to another 65 privately funded ones at Bond University.

The coalition is also working on getting more doctors into country areas. Only last week, I welcomed a group of 15 medical students to their third-year clinical studies in Bundaberg under the mentorship of Dr Denise Powell. We are also providing nursing and allied health scholarships to encourage young people to practise medicine in rural areas. Queensland will also reap more than $8 billion from the Commonwealth between 2003 and 2008 from the health agreement, which will fund about 50 per cent of the hospital system. On top of that, Queensland will receive more than $7½ billion in GST revenue this year.

Despite the record amount of Commonwealth funding going into his Treasury, Mr Beattie has chronically underfunded his own health system. For instance, according to the Productivity Commission, the Queensland government has spent just $440 per head of population on health since 2003-04, less than any other state. According to elective surgery figures released yesterday, the Beattie government is failing to reduce the length of waiting lists in public hospitals. The number of people waiting over 30 days for urgent category 1 operations, which includes cancer and heart procedures, increased by a massive 544 per cent in the last three months of last year compared with the same period 12 months earlier. In the same time frame, the number of people waiting more than 90 days for semi-elective surgery—category 2 operations, to treat things like severe pain, fractures, blocked arteries, some types of tumours, bowel conditions et cetera—increased by 281 per cent.
The current doctor shortage is a very difficult situation, but it does not justify the appalling culture of maladministration, secrecy and intimidation in the Queensland health department. It could not have come out more clearly than in the two royal commissions into the Bundaberg Base Hospital. However, events in Caboolture, just to the north of Brisbane, prove that nothing has changed: staff were threatened in the last fortnight with disciplinary action if they use the word ‘closure’ in respect of the failing emergency department at that hospital, which services the north-west corner of Brisbane. Queenslanders will only receive a good public health system, the one they deserve, once Mr Beattie gets serious about breaking down this entrenched culture of secrecy and maladministration.

Health: Queensland

Mr KATTER (Kennedy) (12.29 pm)—I too have chosen to speak about the health crisis in Queensland. I said at question time yesterday, and I will repeat again here, that there are five major hospitals in Queensland whose emergency services are now officially declared unsafe. There are a further three that have been officially declared critical and possibly unsafe. This represents nearly one-third of the state population as being in the deepest of deep crises. The Gold Coast is not, Brisbane is not and Townsville is not, but, generalising, almost the entire rest of the state is. If you take out the Townsville area—some 150,000 from the million people living in the northern half of Queensland—then you have some picture as far as North Queensland and Northern Australia are concerned.

For the northern half of Queensland—and we are still chasing the figures for specialists, so I can only give the figure for outside the Townsville-Cairns city area—there is one doctor per 1,026 people. The average for Australia is one doctor per 358 people. This is not a situation in crisis; it is a situation collapsing. Mr Deputy Speaker Causley, you were probably the third-ranking minister in the New South Wales government for a number of years. Likewise I was a minister in the Queensland government. We both come from places where we ruled as part of a government. We are well aware that sometimes problems arise that cannot be solved. But in this case, if Mr Beattie went to England and waved around a $250,000 a year salary package, which quite frankly is well below what a lot of the doctors are now receiving in country centres in Queensland, he would be killed in the rush.

I am not speaking here about something that I do not know anything about. In fact, I have had to live with this sort of situation all of my life—for the last 32 years in parliament. There was another shocking case in Queensland—Mr Beattie’s malperformance is not new in the state of Queensland. It is abysmally worse than that of any predecessor, but it is not new. When I was state member for the state seat in North Queensland, the health department informed us officially that they could only find three doctors. They sent two officers overseas and they came back with three doctors. Dr David Harvey Sutton, who was our family doctor in the little tiny town of Cloncurry—3,000 people and a single doctor—went over to England and came back with 23 doctors. The Queensland government had a health budget at the time of about $2,000 million, and they could only find three doctors. This little GP operating in Cloncurry could find 23, and he put them on the ground. I can actually remember most of their names. I can reel them off.

Whilst we have had this problem for a long time, it is now qualitatively different. The whole of the health system in Queensland is simply collapsing. Mr Beattie and the Queensland government have now known this for some nine—arguably 15—months. And what
have they done to address the problem? I am very much aware of the problem. Nearly 1,000 people turned up to the protest meeting in Mareeba, one of the big towns in my electorate, when the state government suggested that Mareeba Hospital be closed and we drive an hour up the road to Atherton if any of us get sick or have an emergency. That was the proposal put forward. Under terrific public pressure throughout all of Far North Queensland, the government backed down.

In my home town of Charters Towers, we have gone from 13 doctors at the start of last year down to seven doctors now. The mayor from Cloncurry, the midwest town, came to see me here at Parliament House. He had won a national prize. He came in to address me and say that the situation in the western centres is absolutely critical. (Time expired)

**Jezzine Barracks**

Mr **LINDSAY** (Herbert) (12.34 pm)—Earlier in this debate, the member for Wills made a contribution in relation to the government’s proposed disposal of the Jezzine Barracks historic area in Townsville. As I was in the chair at the time, I was prevented from responding, but I am now able to make that response. Virtually all of what the member for Wills said and claimed was wrong. Does that really surprise us? No, it does not. It was a political speech, and it is an example of what has been happening for the last 12 months in Townsville in relation to the debate on what might happen to Jezzine Barracks.

The member for Wills kept saying ‘the government’ was proposing this and ‘the government’ was going to do that. That is just not the case. The current process is that Defence is examining its options so that it can make recommendations to the government. The government has not yet received any recommendations whatsoever, so the government’s position is basically not known at this stage, or not settled. I have certainly been working very hard behind the scenes because I want to see an outcome where Jezzine Barracks becomes a magnificent bookend to Townsville Strand. We need to be able to do that, and we can do that.

In an unusual move, I flew to Townsville yesterday in an attempt to get the Labor council to talk to their federal member. They have been running a political campaign for 12 months, but they refused to engage with me—and therefore the government—to get the best outcome for our community. While I was heavily criticised in the Townsville media overnight for flying to Townsville and for spending taxpayers’ money, my mission was successful. The outcome was that the Labor mayor has now agreed to come to Canberra next Thursday to meet with the parliamentary secretary and me, to bring a delegation and to operate in a businesslike manner, not in a political manner. That is a great outcome, because at the end of the day you need the federal government and the local council working together to get the best outcome for the community. Just politically sniping at each other is a waste of time, a useless exercise and unproductive. I am pleased that I have been able to drag the Townsville mayor into a meeting with the government to work with us to get the best outcome.

I can guarantee the people of Townsville and Thuringowa that I am going to ensure that we have a magnificent resource in Jezzine Barracks. I have had the privilege of seeing other sites—for example, Australia’s artillery museum at North Head, the Federation project around Sydney Harbour, the areas in Concord where there is the Gallipoli way, and areas in Western Australia. I want to incorporate many of those very good ideas into the ideas that we have for the redevelopment of Jezzine Barracks. It is a very significant coastal fort, one that has an important place in the heritage and history of our nation. It is also a very significant area
where the Kennedy Regiment—and we have here a colleague whose electorate is named after Kennedy—was first raised, in 1898. Many Townsville and North Queensland people have very strong feelings for and an affinity and an association with that area.

Mr Katter—The Coral Sea battle was fought from there.

Mr LINDSAY—It was. It is good to see an appreciation of the history. I have succeeded so far in having Defence recommend that more than 80 per cent of the land be given over to the community. That is a great outcome. No land will be sold to commercial developers. There will be no high-rises on the site. Some land will be retained for defence purposes, but there is now a magnificent opportunity to get a great outcome for our community. I intend to make sure that the Townsville City Council puts politics aside, works with me and works with the government in the best interests of our community.

Committee Reports: Government Responses

Ms BURKE (Chisholm) (12.39 pm)—It is the first week back at parliament for the year and, as you can see from the documents I am carrying, the Howard government has a lot of homework to catch up on. I have with me here 54 parliamentary committee reports which the Howard government has failed to respond to on time. These are the ones it has failed to respond to on time, but there are another 200 that it has partially responded to and has not given full consideration to. I thought they were too many to carry in.

Although the government is obliged to respond to a committee report within three months of it being tabled, clearly the coalition ministers think they are above all that. Now that they control the Senate, they think they do not have to answer to anyone. The Howard government is so arrogant, so drunk on power, that it has no regard for the parliamentary process. Many of these reports received bipartisan support from members of both the coalition and the Labor Party. They make recommendations for changes to policy that would change Australia for the better, recommendations that would change people’s lives for the better. But the Howard government is so busy implementing policies that will hurt people, such as its extreme industrial relations laws, that it is ignoring good policy that will help people.

 Millions of taxpayers’ dollars were spent on producing these reports. A committee inquiry is a costly but worthwhile exercise. It is an opportunity for politicians from both parties to work together to form policy. It is the only opportunity we have as parliamentarians to work as part of the parliamentary process above the executive government. It is a chance for the public to have their say on issues that are affecting them and to see that on many occasions we as politicians put politics aside and work together for the betterment of the country.

Inquiries are an extremely worthwhile exercise, but I have to wonder: if the government is not going to respond to them, what is the point of doing them? Apart from being a waste of time and money, it is also extremely disappointing for the members of the community who make submissions. These people feel they are going to be listened to, that they may make a difference. We raise their expectations and then we dash them by doing nothing about these reports. How disappointed the people of regional Australia must feel that their submissions to the inquiry into the provision of future water supplies for rural industry and community have been ignored.

Getting water right(s)—the future of rural Australia was tabled in June 2004. The Howard government has had over a year to respond but to date it has not seen the need to. This report
took three years to complete, the committee held 25 hearings across the country, it was tabled over a year ago but the government still has not responded.

The people of regional Australia must also feel very let down by the fact that the Howard government has also ignored *Money matters in the bush*, a report which makes a series of recommendations to improve the standards of banking and financial services for people living in the country. The report was tabled in June 2004; it is now over two years later, and the Howard government has completely ignored it.

Then there is *Regional aviation and island transport services: making ends meet*. Amongst its recommendations, the House of Representatives Standing Committee on Transport and Regional Services called for a new airport ownership subsidy scheme to cover capital works and essential maintenance to assist struggling regional airports. This was an important report tabled in 2003, but the coalition has still not responded.

I think families affected by substance abuse would also be extremely disillusioned with our parliamentary process. So many people travelled to Canberra for committee hearings to share their heartbreaking experiences with regard to substance abuse. They had so much hope that the government would listen. *Road to recovery: report on the inquiry into substance abuse in Australian communities* was tabled in 2003, and the Howard government has not even bothered to respond.

*Working for Australia’s future: increasing participation in the workforce* did not have completely bipartisan support. But one thing that members from both sides agreed on was that the Howard government needs to address the skills crisis as a matter of urgency. But you guessed it: there has been no response to that report.

Why hasn’t the government responded to the report *Public good conservation: our challenge for the 21st century*? It has had more than four years to do so. That is right—for four years, that report has been gathering dust.

I think the longest one on my list was tabled back in 1999. You guessed it: the requirement was that it be responded to within three months. To date, no minister has bothered to tell his fellow parliamentarians that he took any interest in the work they have done. It is another report that is gathering dust: *Unlocking the future: the report of the inquiry into the Reeves review of the Aboriginal Land Rights (Northern Territory) Act 1976*. It was tabled, as I said, in 1999.

What is the government’s excuse? What is the government doing about all the work we around this place do? We go on trips. We sit in endless committee meetings. People come; they make submissions. They bare their hearts and souls in respect of a lot of these things, and these reports gather dust. If the parliamentary committee process is not actually being recognised by the government as a process worth responding to, then why are we all bothering? These reports are very well researched, and the government should have the decency to give them a response. *(Time expired)*

**Wakefield Electorate: Playford North Development**

Mr FAWCETT (Wakefield) (12.44 pm)—I rise today to draw to the attention of the House the announcement in South Australia of the development of Playford North. The timing of this is interesting, and one could be cynical about it, given that people have waited for this announcement for some considerable period of time. I nevertheless welcome the announcement
of the redevelopment of this area and some 4,000 new homes, which will house families in
the southern part of Wakefield. This is a development worth some $1 billion over 15 years,
announced by the state government. It will see not only new homes but also some 381 hous-
ing trust homes upgraded and 736 housing trust homes replaced. The decision for this growth
reflects the fact that there is a need there because there is growth in the southern part of Wake-
field.

The question is: why is that growth there? We have seen growth in Edinburgh Parks and
Elizabeth West. It is partly because of funding provided by the Howard government for infra-
structure such as roads, for training opportunities, for incentives for companies such as Hiro-
tec to move into that area and create more employment. There has been a decision by the fed-
eral government to move a battalion to Edinburgh as part of hardening and networking the
Army, which is going to see some 1,200 service people plus their families and support people
move into the area. There will be a great need for housing for those workers and this is going
to be a terrific answer to that. Importantly, it is also going to provide a future workforce for
the expanding industry base in Wakefield.

As part of enabling this growth, we are going to need a significant number of people who
have the skills to work in the housing and construction sector. I am pleased to report to the
House that this is going to be enabled because of the Howard government initiative for Aus-
tralian technical colleges, which was approved last year. The Catholic education sector and an
industry group led by the housing and construction sector in South Australia have put in a
successful submission. They are going to target the provision of trade skills that young people
need to move into the very area where we are going to see a massive increase in demand for
skills and jobs over the next 10 to 15 years. This is going to benefit not only people in Play-
ford but, importantly, people from Salisbury, Gawler, Mallala and beyond. So this Australian
technical college will really bring a regional benefit to that area.

A press release issued by the South Australian government mentions that much of this re-
development will benefit the people of the Peachey Belt, which is an area that for many years
has been seen as a low socioeconomic area with significant barriers to employment. That is
certainly the case. People in that area face many barriers, ranging from substance abuse to
intergenerational unemployment and family dysfunction. Despite that, there is resilience
amongst the people.

In another Commonwealth initiative which has just been announced as part of the sustain-
able regions project, over $600,000 will be provided for BoysTown to set up an operation in
Playford to work with the young people in this community. BoysTown have a terrific record
both in Queensland and also in South Australia at Port Pirie, where they have worked with
people who have been marginalised and previously considered to be unemployable because of
the barriers they face. Some 80 per cent of participants who go into the BoysTown program
end up holding down open employment in a sustainable manner.

One of the sectors that BoysTown works with is the housing and construction sector. Last
week I facilitated a meeting between BoysTown and that sector, as well as the civil construc-
tion sector, to look specifically at the kinds of skills that BoysTown would need to be working
towards these young men and women achieving so that they can become an effective part of
the workforce that will be required to see this expansion.
I am pleased to be able to continue to work with the community in Wakefield to achieve practical outcomes that go beyond spin and actually provide the kinds of skills and infrastructure required for the community in order to take proactive, positive, commonsense steps towards the future that they deserve.

Mr Ted Horton

Mr KELVIN THOMSON (Wills) (12.48 pm)—In November last year I raised in the adjournment debate reports that a Melbourne based advertising company had provided documents to the tax office concerning payments to Mr Ted Horton, the Liberal Party’s advertiser who was awarded the lucrative government industrial relations advertising campaign in which a cool $55 million of taxpayers’ money has been hosed up against a wall in the most disgraceful way. I also raised reports that Mr Horton had made payments to international accounts. I asked the Liberal government to investigate this matter and tell the Australian people whether the Australian Taxation Office has sought documents from Ted Horton and whether any of those queries or documents related to the issue of offshore payments to Mr Horton for work done either in Australia or overseas.

This Liberal government, which after nearly 10 years in office has become drunk with power and no longer believes in any standards of public accountability at all, simply ignored my call. But not everyone did. Subsequently I received by courier five pages setting out a very serious prima facie case of tax avoidance on the part of Mr Horton. Two pages show salary payments made to Mr Horton in 1999-2000 and 2000-01, and a further two pages show the profit and loss statement for his company Horton Marketing and Communication for the same two years. For the financial year 1999-2000, the documents indicate that Mr Horton’s income was over $814,000, but the profit and loss statement for Horton Marketing and Communication shows income of only 34c and a net loss of $6,000. For the financial year 2000-01, the documents indicate that Mr Horton’s income was over $730,000 but that the profit and loss statement for Horton Marketing and Communication shows income of only $186,000—over half a million dollars less—and expenses of over $206,000 and a net loss of $20,000.

The fifth page of the documents delivered to me gives address details for Mr Horton and for a company based in New Zealand called Interim Placements International Ltd, of Dunedin, and a company based in the Netherlands, Northern Executives International Ltd. The allegation associated with this document is that Mr Horton had payments made first to New Zealand and subsequently transferred money to the Netherlands so that he could access those payments without having to pay tax in Australia on them.

This matter can no longer be ignored. As the Rob Gerard affair shows only too clearly, this Liberal government has developed a cavalier approach to tax avoidance in general and the use of offshore tax havens in particular. Those opposite have form in this matter. The Prime Minister must tell the parliament and the people of Australia whether he approves of people having their income paid into offshore banking accounts for the purpose of avoiding tax. We want to know whether he will investigate Mr Horton or any companies which made payments to him—such as Bates Hong Kong, Frank Moore and Mojo—or channelled his income into the New Zealand based company Interim Placements International Ltd or to Northern Executives International Ltd in the Netherlands.
The public is also entitled to know whether the Prime Minister’s committee on government communications sought to satisfy itself that Mr Horton’s tax affairs were in order prior to awarding him the lucrative industrial relations advertising contract and whether the Prime Minister will now ensure that Mr Horton’s tax affairs are in order before he receives any further taxpayer dollars.

Labor is very concerned about the manner in which Mr Horton’s company Dewey Horton won the IR contract, which did not go to a full tender. Since the last time I raised this issue in the House, Freedom of Information documents have emerged that show the government’s communications unit expressly instructed that the Melbourne arm of Young and Rubicam should be asked to pitch for the advertising contract. This is an extraordinary piece of micro-management by the Howard government in a tender process, and the Australian people are entitled to know why. Given that Young and Rubicam is headquartered in Sydney, did this action tie their hands behind their back and help give the inside running to Ted Horton? It is time the veil of secrecy was lifted from the awarding of advertising contracts by the Ministerial Committee on Government Communications. It is too cute by half that this massive, lucrative contract given out by Liberal Party insiders just happens to go to the Liberal Party’s own advertising team. Rob Gerard might have disembarked, but the Liberal Party’s gravy train just keeps on chugging along.

Senator Kerry Nettle

Mr NEVILLE (Hinkler) (12.53 pm)—I have risen again today to bring before you, Mr Deputy Speaker, an incident that occurred yesterday and which has been in the media today. Greens Senator Kerry Nettle appeared on television last night and in today’s media wearing a T-shirt that said, ‘Mr Abbott, get your rosaries off my ovaries’. Quite frankly, I was staggered by that. I could not believe that in this debate, which is obviously very important to a lot of people, we would trivialise such a debate and demean the status of the parliament by that particular action. In fact, she further trivialised it by giggling on television. This is a serious issue where people hold very strong views by conviction and conscience. I thought her action was unnecessary and provocative and that it borders on the sectarian.

I think this whole debate has largely got out of control. I think it is sad to see people parading their lives, and the abortions that they, family members or friends have had, through this debate. I ache for those women who have had abortions. Their lives, even those of the ones who have done it willingly themselves, should not be paraded through the parliament like this.

I think that this is a serious issue that we have to debate on its merits. It is true that your upbringing, your social environment and your family environment play an important part in the development of your conscience. I make no apology for having grown up in a Catholic family. However, I am an adult with free will and I reach my decisions on how I vote on these issues myself. I am not directed by the Catholic Church or anybody else. Using the rosary—which is a prayer cycle that honours the mother of Christ—in this way is in the poorest of poor taste and, as I said before, borders on sectarianism as it demeanes part of the Christian community. In fact, people of other denominations, particularly High-Church Anglicans, who also say the rosary, would find it the most offensive of offensive remarks. I call on Senator Nettle to apologise to this parliament and to the Australian people.
Mr KATTER (Kennedy) (12.56 pm)—I wish to speak on the value systems of people of the persuasion mentioned in the speech of the member before me. It is true that almost every religion through human history has reflected value systems, and they are survival value systems. We can see what happened to those religions that have indulged in human sacrifice, like Montezuma in a clash with Cortes. The survival of a race is embedded in these belief systems. If you have a belief such as that of the honourable senator that the previous member has referred to then history will pass judgment upon you. You and your race of people will simply vanish from the gene pool. It is a very sad fact of life that people with beliefs such as those of the senator referred to by the previous speaker will lead Australia down that pathway. When 20 people die in Australia, they are replaced by 17 people. We are a dying race; we are a vanishing race.

Patrick Buchanan, speechwriter—or press secretary, as we might call them in Australia—for four American presidents, wrote a famous book called The Death of the West. He said that by the year 2015 or 2025—I cannot remember which it was; he wrote the book in the 1980s, I think—the countries of Europe would require 25 million workers just to keep their essential services going. Since there is no European country that has a positive birthrate, the only place that those workers can be drawn from are, of course, the Muslim countries of North Africa and the Middle East. Basically, the book says, ‘I will leave to your imagination what 25 million not just people but Muslim families moving into Europe will do to Europe.’ Paris is on fire. Quite rightly, the people of the Middle East can say, ‘The future belongs to us.’ And it does, because of the primitive, incredible attitudes towards life of people like the senator referred to by the previous speaker. Please God, that attitude will vanish somewhere in the future. But at the present we are a vanishing race, and that is the most definitive judgment that history can place upon a race of people—that they simply eliminate themselves from the gene pool.

In the time left to me, I would address again the issue of health in the state of Queensland. As I have said before, in the northern half of Queensland, we have only one doctor per 1,100 people—0.967 million people live north of Rockhampton in Queensland. On the basis that there are nearly one million people in that area and with the figure for Australia being one doctor per 358 people, we would require nearly 3,000 doctors in that area. I am including specialists—and I cannot get the figures for specialists, even though I have been trying to for two days. However, by extrapolating from other figures, we can assume that we would have about 200 specialists. Adding 200 specialists to the 830 doctors we have in this area now would give us 1,030 doctors. That leaves us nearly 2,000 doctors short in the northern half of the state.

The federal government has a part to play here. We are producing only 60 doctors from JCU, the university that is in the epicentre of the problem. On these figures, it would appear that that university should increase its production of doctors to 200, but they are most certainly pushing aggressively to move up to 150. As I said yesterday in question time, Mr Beattie’s efforts have amounted to a huge talkfest and a massive multimillion-dollar campaign to blame the federal government. Would to heaven he would use some of that money to induce doctors in England, South Africa and some of these other countries to come to Australia.
But he has chosen to use the money for political purposes to protect himself—not to protect the people of Queensland.

The federal government also has something to answer for here: it has allocated only 60 places. I was deeply disappointed in the minister’s response yesterday to my question. I sent the question to him beforehand so that he would have plenty of time to reply to it. He has an onus too. That onus is to lift the number of places at JCU from 60 to 150 at the very least. *(Time expired)*

Question agreed to.

**Main Committee adjourned at 1.02 pm**
QUESTIONS IN WRITING

Anti-Vehicle Mines
(Question No. 2601)

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 9 November 2005:

(1) When did the Australian Defence Force last lay an anti-vehicle mine minefield in a situation of armed conflict.

(2) What is the ADF’s position on the use of anti-vehicle mines including mines with anti-handling devices.

(3) What is the ADF’s position on the banning of anti-vehicle mines that are not command detonated.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) At El Alamein during World War II.

(2) Anti-vehicle mines have legitimate military utility as obstacles to deny enemy mobility. Individual mines and minefields achieve this through a combination of physical effects that impede movement by slowing, obstructing, immobilising or destroying the target, and the psychological effect of fear and uncertainty experienced by an adversary encountering or attempting to negotiate the obstacle. Historical evidence of the military utility of anti-vehicle mines is extensive and includes examples from World War II and, more recently, the 1991 Gulf War.

Australia does not support a global ban on anti-vehicle mines but, instead, supports global restrictions on such mines that ensure that they are detectable by commonly available mine detection equipment, and that remotely deployable anti-vehicle mines are engineered to self-destruct/self-neutralise and self-deactivate within a set time frame.

Anti-handling devices provide a legitimate means of preventing enemy forces deliberately interfering with anti-vehicle mines which, if not protected, might subsequently be used by those forces.

(3) Australia does not support a global ban on anti-vehicle mines, or a ban on anti-vehicle mines that are not command detonated. Australia’s position is that anti-vehicle mines have legitimate military utility and that humanitarian concerns, including those posed by persistent anti-vehicle mines which remain active after the cessation of conflict, are best addressed through technical restrictions of the type proposed in the Certain Conventional Weapons Convention Experts’ Group Meetings.

Investing in Our Schools Program
(Question No. 2607)

Mr Brendan O’Connor asked the Minister for Education, Science and Training, in writing, on 9 November 2005:

What is the sum of approved grants under the Investing in Our Schools Program for the electoral divisions held by (a) Liberal Party, (b) National Party, (c) ALP and, (c) Independent MPs.

Dr Nelson—The answer to the honourable member’s question is as follows:
Approved School Grants by Political Party (as at 2 November 2005)

**Government Sector**

Government school funding approved by the Minister as at 2 November 2005:

<table>
<thead>
<tr>
<th>Party</th>
<th>Approved Grants $</th>
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<tr>
<td>Australian Labor Party</td>
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<tr>
<td>Country Liberal Party</td>
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<tr>
<td>Independent</td>
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<td>Liberal Party</td>
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<tr>
<td>National Party</td>
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**Non-Government Sector**

Non-Government school funding approved by the Minister at 2 November 2005:

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<td>National Party</td>
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</table>

**Defence Imagery and Geospatial Organisation**

(Question No. 2608)

Mr Gibbons asked the Minister representing the Minister for Defence, in writing, on 9 November 2005:

1. At what stage is the Government’s proposal to relocate the Defence Imagery and Geospatial Organisation from the Fortuna site in Bendigo to a $10 million complex at another site in Bendigo.
2. When is it proposed to commence construction of the building(s) in Bendigo to house the relocated unit.
3. Is it proposed to outsource the printing component of the mapping facility; if so, what are the details.
4. What printing equipment will be surplus to requirements after the relocation and how will it be disposed of.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

1. Defence is currently preparing a detailed business case for the new facility.
2. Construction is expected to commence in early 2007.
3. Defence’s requirements for small volume printing will be met by the Defence Imagery and Geospatial Organisation in Bendigo through a new print-on-demand capability using on-line plotters. Defence requirements for large volume printing will be outsourced using a panel of commercial printers to be established by Defence. A Request for Proposal and Request for Tender for the printer panel are currently being prepared.
4. Two offset printing presses will be disposed of in accordance with government procedures.
Pensions and Allowances
(Question No. 2612)

Dr Emerson asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) In respect of the valuations which Centrelink uses in applying the assets test to pensions and allowances, is the Minister aware that Centrelink has advised pensioners who are at risk of losing their pensions due to increased land valuations that they could consider sub-dividing their land.

(2) Is the Minister aware that the South East Queensland Regional Plan has put a ten year hold on any development or sub-division of properties within the identified Investigation Area.

(3) Does the Minister intend to make any provision for pensioners in Queensland affected by the Regional Plan; if not, why not.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) If a customer approaches Centrelink specifically requesting information on their options, including the possible effect the sub-division of their land may have on their payment, Centrelink staff are required to discuss the matter and provide general information only, not advice. It is the customer’s responsibility to check with their local land authority or council about sub-division restrictions.

(2) No.

(3) Pensioners in Queensland who are affected by the Regional Plan should approach Centrelink if they feel that the Regional Plan has affected the value of their assets.

Child Care
(Question No. 2613)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) In which areas are there shortages of long day care (LDC) and how acute are the shortages in those areas.

(2) Will the Minister identify the ‘pockets of need’ she referred to in several media interviews during October.

(3) Can the Minister say what the total unmet demand is for LDC in Australia and each State and Territory; if not, is it proposed to collect the data so that an estimate can be made.

(4) Has the Minister’s department provided any advice in the last 3 months on (a) how shortages in LDC could be measured, (b) the number of parents unable to obtain a LDC place or more LDC days, and (c) how LDC shortages could be addressed.

(5) In the past, did prospective LDC providers have to demonstrate that their centre would satisfy unmet demand for LDC in the local area before they were allocated Child Care Benefit (CCB) places; if so, (a) when did this policy (i) apply and (ii) cease and (b) why was the policy discontinued.

(6) What are the supply-side measures being considered by the Government to address LDC shortages in cities.

(7) Can the Minister explain what the Commonwealth Government intends to do to ensure that space is provided for child-care centres in areas with high land values and high-density housing.

(8) Why are grants not available under the LDC Incentive Scheme for areas of unmet demand in cities.

(9) What evidence is there that there are more parents without child care in outer metropolitan and rural areas than in inner city areas.

QUESTIONS IN WRITING
(10) What is the Government’s policy on LDC centres charging a fee to put children on waiting lists.

(11) Has the Minister’s department surveyed, or conducted research into, LDC centres charging a fee to put parents on waiting lists; if so, what were the findings.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The Australian Government does not limit the number of LDC places or services.

(2) The Minister acknowledged that there are areas of need in inner city areas due to land availability and prices, and has called on both state and local government to factor in child care in planning.

(3) Refer to answer to question (1).

(4) (a), (b) and (c) The Department regularly advises the Minister’s office on various aspects of child care on the basis of information that is available.

(5) No.

(6) The Australian Government does not restrict the number of new long day care centres that can be established. The Minister has recently announced a trial of innovative flexible Family Day Care and extended an invitation to the City of Port Phillip, in inner city Melbourne, to participate in the initial pilot. The Minister also tabled a paper at the State and Territory Local Government Ministers Council and has written to the Australian Local Government Association to discuss how all levels of government can play a role in planning and identifying land.

(7) State and local governments have a role in licensing and planning and in ensuring that land is available for the provision of child care services. The Australian Government does not build child care centres and does not directly provide child care. There are no restrictions on the number of new long day care centres that may be established, or the number of places.

The Minister has written to all levels of government and planning ministers encouraging them to work together to improve access to child care and facilitate the development of child care centres through local planning mechanisms.

(8) The Long Day Care Incentive Scheme was specifically established to target demand in rural and urban fringe areas. The incentive funding ensures services remain viable while they build their client base and utilization rates to sustainable levels.

(9) Assistance is targeted at rural and remote areas who have no child care services available.

(10) The Government has no involvement in fees charged by LDC operators.

(11) No.

Outside School Hours Care
(Question No. 2614)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) Is vacation care funded as a separate category to outside schools hour care (OSHC), and does the OSHC cap include vacation care places.

(2) Will the Minister explain the funding and allocation of vacation care places including (a) what the cap is, (b) when the most recent funding of new vacation care places occurred, and (c) whether places are advertised in the same manner and at the same time as OSHC places.

(3) Were any vacation care places included in the 84,300 OSHC places announced in the 2005 budget.

QUESTIONS IN WRITING
(4) Will the Minister explain how children who use before school, after school, and vacation care in
the same year are counted, in particular, how many and what categories of places are they consid-
ered to have occupied.

Mr Hockey—The Minister for Family and Community Services has provided the follow-
ing answer to the honourable member’s question:

(1) Outside School Hours Care (OSHC) places includes vacation care places. There is no limit on how
many OSHC places can be allocated as vacation care places.

(2) Applications for available OSHC places are advertised, and places allocated to services in accor-
dance with the family assistance legislation. (a) over 285,000 OSHC places are currently available
with the Australian Government committing to an additional 69,000 OSHC places over the next 3
years, (b) the most recent funding of new vacation care places was announced on 23 November
2005, (c) yes.

(3) Any of the 84,300 OSHC places announced in the 2005-06 Budget could be allocated as vacation
care places.

(4) An OSHC place is defined as “the authority to provide at any given time care for one child”. A
child using before school, after school and vacation care is counted as occupying one of each kind
of place for the period they are using that place.

Child Care
(Question No. 2615)

Ms Plibersek asked the Minister representing the Minister for Family and Community
Services, in writing, on 10 November 2005:

(1) What checks are done by the Commonwealth Government on the qualifications and experience of
family day care (FDC) workers.

(2) How is the quality of care by family day carers monitored by the Government after they are ap-
proved.

(3) Was there a decline in FDC attendance between 2002 and 2004; if so, (a) why did it occur and
(b) was the poor pay of FDC workers (relative to similar employment opportunities in long day
care, preschools and kindergartens) a factor.

(4) What is the average salary of a (a) full time and (b) part time FDC worker.

(5) Have the extra 2500 FDC places funded in the budget been allocated; if so, (a) when, (b) by what
process and (c) when will the places be available.

Mr Hockey—The Minister for Family and Community Services has provided the follow-
ing answer to the honourable member’s question:

(1) Each state and territory has responsibility for the licensing and regulation of children’s services
within its jurisdiction, which includes qualifications of workers. The Australian Government has no
responsibility for monitoring requirements of State and Territory regulatory systems.

(2) State and Territory governments are responsible for the licensing and regulation of Family Day
Care services. National standards have been developed to provide the basis for a uniform national
approach to the licensing of Family Day Care. To be approved for child care benefit a Family Day
Care (FDC) scheme must register with the Australian Government National Childcare Accredita-
tion Council (NCAC) to participate in Family Day Care Quality Assurance (FDCQA).

(3) There was a small decrease in the number of children attending FDC from 2002-2004 according to
the 2004 Census of Child Care Services; (a) the decrease can be partly attributed to the timing of
the 2004 Census. The 2004 Census was held close to the commencement of the school holiday pe-
riod whereas the 2002 Census was conducted mid-term resulting in a drop in child numbers; (b) There is no indication of this.

(4) (a) and (b) This information is not collected by the department. The Australian Government does not regulate rates that a carer can charge, although the charge per hour of care provided is often regulated by individual FDC schemes. A carer’s income is directly dependent on the number of children in their care and the number of hours for which they charge for care.

(5) (a), (b) and (c) As announced in the 2005 Budget, the first of these places will be allocated from July 2006.

**Child Care**

(Question No. 2616)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) In respect of the new policy of family day care (FDC) in someone’s home, who will be liable in the event of injury to a child.

(2) Will the Commonwealth Government play a role in matching parents with suitable homes to FDC workers and to other families who need FDC.

(3) Can the Minister explain how carers will be aware of a particular parent’s need for child care and how parents will be aware of the availability of particular carers.

**Mr Hockey**—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) There is no new policy for family day care, but the Department is currently examining ways in which Family Day Care can be delivered more flexibly whilst meeting quality standards.

(2) Family Day Care is managed by a Family Day Care Coordination Unit whose role includes recruitment and training of carers, marketing and promotion of Family Day Care and overseeing quality standards. The Australian Government provided funding to Coordination Units to assist in providing this administration and support.

(3) See answer to Question 2.

**Child Care**

(Question No. 2617)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) In respect of the policy of ‘workplace nannies’ which is being considered, can the Minister explain how a business or employer will be involved in the hire of child care workers and in supporting a child care venue.

(2) Who will assess the suitability of a workplace for family day care (FDC).

(3) Who will be responsible for (a) the recruitment, employment and dismissal of FDC workers in the workplace, and (b) facilities, including structural adaptations, utilities, toys, gardening etc.

**Mr Hockey**—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) There is no new policy on ‘workplace nannies’.

(2) See answer to Question 1.

(3) See answer to Question 1.
Child Care  
(Question No. 2618)  
Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) In respect of the new family day care (FDC) policies being considered, if parents who require only part-time care are charged for a full-time place, will the Government pay Child Care Benefit for the hours charged.

(2) What sum has been allocated for promoting FDC to parents or as a career option.

(3) What is the period for the promotion campaign.

(4) What are the current physical requirements for family day care premises in each State and Territory.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Families using Family Day Care are paid Child Care Benefit for hours charged.

(2) As announced in the 2005 Welfare to Work initiative, the Department will implement a package of practical support to assist parents who want to return to the workforce as Family Day Care workers. No specific amount has been identified for promotion of Family Day Care.

(3) The communication activities will take place over three years.

(4) Regulations governing the physical requirements for Family Day Care are the responsibility of state and territory governments.

Child Care  
(Question No. 2619)  
Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) What are the definitions of ‘nanny’ and ‘au pair’ used by the Minister’s department and what, specifically, is the difference.

(2) How many nannies are registered child carers.

(3) What are the registration requirements for a nanny.

(4) How many nannies were (a) newly registered and (b) registered in total in each of the last 5 years.

(5) Does the Minister’s department have any communication with nanny agencies; if so, for what purpose.

(6) Has the Minister’s department sought information from nanny agencies in the last 6 months on the number of nannies (a) on their books and (b) employed.

(7) How many nannies who are not registered as carers are estimated to be working as nannies in Australia.

(8) Is the assessment of the Chair of the Standing Committee on Family and Human Services that the black market in the child care industry is worth about $6 billion a year accurate; if not, (a) what is the Government’s assessment or (b) what steps has the Government taken to make an accurate assessment.

(9) Is there any evidence before the Standing Committee on Family and Human Services inquiry into balancing work and family responsibilities that the Minister or the Minister’s department knows to be incorrect or unreliable; if so, what action has been taken to provide accurate information.
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(10) Does the Minister’s department review and analyse the evidence given to the Standing Committee on Family and Human Services inquiry into balancing work and family responsibilities; if so, (a) what does it do with this information and (b) has it analysed the evidence of (i) parents who employ or cannot find nannies and (ii) nanny agencies.

(11) Does the Government support the call by the Chair of the Standing Committee on Family and Human Services for parents employing qualified nannies to be eligible for the 30% tax offset or a tax deduction.

(12) Has the Minister’s department provided information or advice to (a) the Prime Minister, (b) the Treasurer, and (c) any other minister about nannies in the last 6 months; if so, (i) was it requested, (ii) was it about the size of the industry and (iii) was it on the number of people working as nannies or au pairs in Australia.

(13) Has the Minister’s department discussed nannies with other Commonwealth departments in the last 6 months; if so, which agencies, why and what was the outcome.

(14) Does the Minister’s department have any interest in monitoring the use of nannies and the nanny industry; if not, why not.

(15) Has the Minister or the Minister’s department received correspondence over the last 12 months from nannies or nanny agencies about nannies or au pairs; if so, what did the correspondents want.

(16) Can the Minister confirm the report in The Australian on 25 October 2005 that parents unable to find childcare who band together to hire a registered nanny to look after children in one of their homes will be eligible for the rebate.

(17) Can au pairs be registered child carers; if so, how many are registered.

(18) Can the Minister say whether non-residents granted work visas who want to be au pairs have this recorded in their visa documentation.

(19) How many foreign au pairs are estimated to be working in Australia.

(20) Has the Minister’s department requested the Department of Immigration, Multicultural and Indigenous Affairs to consider changing the visa conditions applying to au pairs, in particular, removing the 3 month per family working limit; if so, when; if not, why not.

(21) Does the Minister’s department have a stake or policy input into Government policy on the entry of au pairs into Australia.

(22) What is the Government’s policy on the desirability of allowing Australian families who hire an au pair to continue the employment beyond 3 months.

(23) Has the Minister’s department discussed the topic of au pairs with the Department of Immigration, Multicultural and Indigenous Affairs in the last 12 months; if so, when.

(24) Is the Minister concerned about the lack of regulation of au pairs and the potential threat this poses to Australian children; if so, what is the role of the Minister’s department in regulating the employment.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The Department does not have definitions for the terms ‘nanny’ or ‘au pair’. No distinction is made between the two terms for the purposes of funding Child Care Benefit (CCB) for registered care.

(2) The Department does not break down this information on registered carers.

(3) Registered carers, which may include nannies, are required to be over the age of 18 years, comply with all state and territory child care laws, provide receipts for care and provide a statement that they have either a Tax File Number (TFN) or a TFN exemption.
(4) See answer Question 2.

(5) No.

(6) (a) No. (b) No.

(7) The Department does not collect this information.

(8) It is not the role of the Department to review or analyse the information provided to the Standing Committee.

(9) It is not the role of the Department to comment on the accuracy of the evidence provided to the Standing Committee.

(10) It is not the role of the Department to review or analyse the information provided to the Standing Committee.

(11) The Child Care Tax Rebate is the responsibility of the Treasurer.

(12) (a) (b) and (c) No.

(13) No.

(14) The Department has an interest in all types of early childhood care. However, its focus is on supporting parents to access approved, quality child care.

(15) One letter was received from a nanny agency requesting a meeting about the provision of in-home care and another from an agency requesting additional assistance for families using nannies.

(16) Nannies can register as carers for the purpose of Child Care Benefit. However, families using registered care are not eligible to claim the Child Care Tax Rebate.

(17) ‘Au pairs’ can be eligible to become a ‘registered carer’ which entitles families to claim the minimum rate of Child Care Benefit. The Department does not break down information on registered care.

(18) Currently under the Working Holiday Scheme class of visa, ‘au pairs’ can stay in Australia for 12 months, however, they can only work for three months during that period. The Department of Immigration, Multicultural and Indigenous and Affairs is responsible for visa allocations and recording.

(19) This is a matter for the Department of Immigration, Multicultural and Indigenous and Affairs.

(20) No. Any changes to existing visa conditions is the responsibility of the Department of Immigration, Multicultural and Indigenous Affairs.

(21) No.

(22) This is a matter for the Department of Immigration, Multicultural and Indigenous and Affairs.

(23) The Department has had discussions with the Department of Immigration, Multicultural and Indigenous Affairs on visa conditions, including how they pertain to ‘au pairs’.

(24) State and territory governments set licensing and regulations for child care. ‘Au pairs’ have to comply with the same regulations as other registered carers.

Child Care
(Question No. 2620)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) Has the Minister sought advice from her department or any other department on the tax deductibility options for childcare; if so, did the advice canvass all or only some forms of approved and registered child care.
(2) Has the Minister’s department discussed how tax deductibility for any type of child care would work or what it would cost with the Department of the Treasury or the Australian Taxation Office; if so, when.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The Minister is regularly briefed on a range of child care issues.

(2) Specific questions on matters of tax deductibility should be directed to the Treasurer.

Child Care  
(Question No. 2621)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) What was the ‘average fee’ for long day care (LDC) used for the graph on page 116 of the Minister’s department’s 2004-2005 Annual Report and how was it derived.

(2) Will the Minister explain the definition of weekly disposable income used, in particular what sources and split of family or household income are included.

(3) How was the figure used for the weekly sum spent on child care derived.

(4) Can the Minister confirm that parents who have more than one child in care will pay a higher proportion of their disposable income than the graph represents.

(5) In respect of all families using approved care, what is the average number of children in some type of approved care.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The average Long Day Care (LDC) fee used in the graph on page 116 of the 2004-05 Department of Family and Community Service Annual Report is $209 per week. It is based on the fee(s) for 50 hours of care returned by LDC services in the 2004 Census of Child Care Services.

(2) “Weekly disposable income” refers to the amount of residual income (including non-child care government benefits such as income support payments, Family Tax Benefit (Part A and Part B), after taking out income tax and Medicare levy. For the purpose of this modelling we use dual income families with 1 child in LDC for 50 hours per week and family income split of 60:40. The family income of $33,000 was used to represent family with income close to CCB lower income threshold ($32,485pa) and $45,000 was used to represent family with income close to Female Total Average Earnings ($45,017) (FTAWE).

(3) There are two weekly child care fee figures used in producing the graph on page 116 of the 2004-05 annual report. The first is the average fee, as explained under the answer for question (1), and the second is the gap fee. The gap fee is the difference between the average fee and the CCB entitlement at the corresponding time for the family type listed above.

(4) Yes.

(5) The average number of children per family using approved child care is 1.4 child per family. This is based on Centrelink Administrative data, December 2004. Across all LDC service types, data from the 2004 Census of Child Care Services shows that only three per cent of children are in full-time care of 50 hours or more per week.
In Home Care
(Question No. 2623)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) How many applications for the In Home Care (IHC) program for children with disabilities have been (a) received and (b) refused.

(2) What are the reasons for the refusal of the applications referred to in part 1(b).

(3) Is the number of places for disabled children in IHC capped.

(4) Can the Minister explain how funding under the IHC program is delivered and, in particular, in what form the recipient receives the benefit.

(5) How does the IHC program operate in relation to the Disabled Supplementary Services Program (DSUPS), in particular, are children eligible for the DSUPS also eligible for support under the IHC program.

(6) What were the findings of the review of the IHC program and will the Minister provide a copy.

(7) Have copies or the findings of the review been given to stakeholders or anyone else; if so, who and when.

(8) Did the review find that some disabled children currently cared for at home with the support of IHC funding have disabilities which make care at a child care centre inappropriate.

(9) Did any parents or support services for children with disabilities indicate in the consultation part of the review that some children would not benefit from any changes to the IHC program directed at inclusion.

(10) What was the review finding on its objective to discover the extent to which current IHC models provide opportunity for inclusion whereby children with additional needs interact with ‘typically developing’ peers.

(11) Did the review find that all children cared for under the IHC program would benefit from being cared for with other children.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The Department of Family and Community Services does not carry out the assessment of parents’ applications to In Home Care. This is undertaken by In Home Care service providers.

(2) See Question 1.

(3) No.

(4) Parent’s whose children attend In Home Care receive assistance through Child Care Benefit (CCB). The Child Care Support Program provides funding support to In Home Care Service providers called Network Support. This is for tasks such as recruitment of carers, monitoring and support carers, assessing parents’ requests to use In Home Care and matching parents with carers.

(5) Children using In Home Care are able to receive the Disabled Supplementary Services Program, known as DSUPS. DSUPS provides additional funding assistance to parents of children with a disability.

(6) The In Home Care Review final report has not yet been provided to the Minister.

(7) Not applicable.

(8) Not applicable.

(9) Not applicable.
(10) Not applicable.
(11) Not applicable.

Child Care
(Question No. 2624)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) Can the Minister explain how funding under the (a) Disabled Supplementary Services Program (DSUPS) and (b) Special Needs Subsidy Scheme (SNSS) is delivered and, in particular, in what form the recipient receives the benefit.

(2) What sum per eligible child is available under the (a) DSUPS and (b) SNSS.

(3) How many children were funded under the (a) DSUPS and (b) SNSS in each of the last three financial years.

(4) Can the Inclusion Support Subsidy (ISS) be used to pay the wage costs of an in-home carer.

(5) Has any information been sent to parents receiving assistance under DSUPS or SNSS on the financial support they will receive after 1 July 2006, if so will the Minister provide a copy.

(6) Can the Minister say how many child care providers (a) have refused to care for a disabled child and (b) have indicated they are willing to care for a disabled child if they were paid a greater subsidy.

(7) Is the Minister concerned that some child care providers are not willing to accept children with a disability.

(8) How many (a) long day care (LDC) centres and (b) outside school hours care (OSHC) services care for children for whom (i) DSUPS and (ii) SNSS funding is available.

(9) Has the Government received complaints from parents of a disabled child who have been unable to find a LDC or OSHC provider who will care for the child.

(10) Has the Minister’s department received correspondence or calls from parents of children granted DSUPS or SNSS funding who have been unable to find a child care provider willing to care for their child.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) (a) DSUPS is an additional payment made to carers in Family Day Care (FDC) and In-Home Care (IHC) (only) who care for children with ongoing high support needs including children with a disability, in recognition of the additional care and attention that such children require.

The amount of DSUPS paid to the carer is calculated on the level of additional care and attention required to care for a child with ongoing high support needs including children with a disability.

(b) The SNSS payment is available to children who have an ongoing need for a high level of support in the child care environment. Children with ongoing high support needs include children with diagnosed disabilities; children undergoing continuing assessment for disabilities or developmental delay; or refugee children who have been subjected to torture or trauma.

SNSS is paid to child care service. SNSS support can provide an extra worker to support staff by increasing the staff child ratio, relief for staff/carers to attend specialist training related to the child with ongoing high support needs, or specialist equipment.
(2) (a) A DSUPS claim for IHC can be higher than a FDC claim. Carers are paid up to 100% of the total hourly fee charged for Child Care Benefit (CCB) hours. For FDC this can mean up to around $3-$4 per hour but for IHC it can mean up to around $7-$20 per hour.

(b) The hourly rate for a SNSS worker is $14.82. There is also an allowance of $1,000 per child for specialist equipment.

(3) (a) The approximate number of children in receipt of DSUPS in 2002-03 is not unavailable, in 2003-04 there were approximately 1235 children and in 2004-05 there were approximately 1147 children in receipt of DSUPS.

(b) The approximate number of children in receipt of SNSS in 2002-03 were 3891 children, in 2003-04 there were approximately 5182 children and in 2004-05 there were approximately 5570 children in receipt of SNSS.

(4) Yes, ISS will increase the wages of home-based carers.

(5) No, these payments are made to carers and child care services – not parents.

(6) (a) and (b) This information is not provided to the department by services as service participation in DSUPS and SNSS is voluntary, and based on the Disability Discrimination Act 1992.

(7) The Australian Government is committed to assisting child care services to provide the best quality care for all children through the Inclusion and Professional Support Program (IPSP). This is a significant investment in the capacity of child care workers that will ultimately benefit all Australian families, particularly families who have special care needs. Through the IPSP the child care sector will receive increased professional and inclusion support.

(8) (a) and (b) (i) LDC and OSHC services are not eligible for DSUPS. (ii) There are approximately 2900 children in receipt of SNSS in LDC centres (May 2005) and approximately 1386 children in receipt of SNSS in OSHC centres.

(9) Yes, particularly on the availability of child care services for children over 12 years of age, both with and without disability.

(10) No.

Child Care Planning Committees
(Question No. 2625)

Ms Plibersek asked the Minister representing the Minister for Family and Community Services, in writing, on 10 November 2005:

(1) What are the terms of reference for child care planning committees and will the Minister provide a copy.

(2) Are the terms of reference for each State and Territory committee identical; if not, will the Minister provide a copy of each.

(3) In respect of each State and Territory planning committee, (a) what were the last three occasions the committee met, and (b) did it advise the Commonwealth Government on (i) areas experiencing unmet demand for long day care (LDC) and outside schools hours care (OSHC) and (ii) areas of oversupply of LDC and OSHC.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Yes – see attached copy of terms of reference for planning advisory committees.

(2) Yes.

(3) (a) The last three times the planning advisory committees met were:
VIC: 16 October 2003, 4 May 2004 (by correspondence) and 13 September 2005.
NT: 20 August 2003 (by teleconference), 28 April 2004 and 15 August 2005

(3) (b) (i) and (ii) There is no limit on the availability of long day care places and therefore no re-
quirement for planning advisory committees to advise on areas requiring more long day care
places. Consequently planning advisory committees focus primarily on advising on areas that
require additional Outside School Hours Care places and Family Day Care places, which are
limited by the Australian Government.

PLANNING ADVISORY COMMITTEES
TERMS OF REFERENCE
INTRODUCTION
The child care planning system is designed to ensure that child care places are allocated in areas where
they are most needed. Planning Advisory Committees (PACs) have been established in each State and
Territory to provide expert advice on the need for child care in different areas. PACs’ advice forms the
basis of Departmental determinations of areas where child care places of different types may be allo-
cated.

LEGISLATIVE BASIS
The Family Assistance legislation, A New Tax System (Family Assistance) (Administration) Act 1999
provides generally for the approval of child care services. Section 206 of the legislation provides that
the Minister may determine guidelines about the:
(a) procedures relating to the allocation of child care places to approved child care services;
(b) matters to be taken into account in working out the number (if any) of child care places to be allo-
cated to approved child care services;
(c) the maximum number of places that can be allocated to approved child care services in a specified
class; and
(d) any other matters to be taken into account in making such an allocation.
In accordance with section 206, the Minister for Family and Community Services made the Child Care
This determination details the responsibilities of the Secretary of the Department of Family and Com-
munity Services in allocating places to approved child care services.
Subsection 7.1 of the determination provides that, before allocating any places to approved child care
services, the Secretary must determine in writing:
(a) the areas of Australia in which child care places may be allocated;
(b) the number of child care places of each kind (approved family day care services, approved occa-
   sional care services, approved outside school hours services and approved in-home care services)
   which may be allocated in each of those areas.
Subsection 7.2 provides that a determination under subsection 1 may also divide the number of child
care places determined by the Secretary as available for allocation in a particular area into:

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(a) numbers of places which may be allocated in respect of children in particular age groups; and
(b) for outside school hours care services, numbers of places which may be allocated in respect of be-
fore school care, after school care, and vacation care.

Subsection 3 provides that, before making the determination under subsection 1, the Secretary shall take
into account the following matters:
(a) the relative needs of different areas of Australia for the kinds of child care places to be allocated;
and
(b) the relative child care needs of people in each area who have work, training or study commitments.

THE ROLE OF PACs

The role of the PACs is to assist the Secretary in making determinations under the Child Care Benefit
(Allocation of Child Care Places) Determination 2000 by providing expert independent advice on those
areas of Australia that need child care places of various kinds. PACs may consider the need for all types
of child care, but only make recommendations on the need for family day care and outside school hours
care places for the purpose of allocation determinations.

The role of the PACs is advisory. PACs have no decision-making or approval powers with regard to the
actual allocation of child care places to services.

To assist them to perform their role PACs will be advised by the Department about any relevant Gov-
ernment initiatives or policies.

The Department will provide to PACs the most recent population and places, utilisation and demand
data to assist them in making their recommendations.

PACs usually meet once or twice a year, depending on the availability of places.

PAC meetings are organised by State and Territory Office planning teams and chaired by the Depart-
ment’s State or Territory Manager. PACs report to the Australian Government Department of Family
and Community Services.

The Secretary may at any time make a determination that an area needs additional child care places. The
Secretary will usually make such determinations only in response to existing services that require addi-
tional places to meet immediate needs. Determinations to establish new family day care and outside
school hours care services, on the other hand, will usually be informed by PAC advice.

OPERATING GUIDELINES

PACs should
• Identify areas where new family day care or outside school hours care services are required. This
  may include areas where existing unfunded family day care or outside school hours care services
  are seeking access to child care benefit.
• Provide advice on areas that already have an appropriate range of child care services, but which
  need additional family day care or outside school hours care places.
• Provide advice, if requested, on areas where additional long day care centre places, or other kinds
  of child care places, are required.
• Provide advice on areas where further research is needed in order to identify whether more child
  care places are required.

Family Choice

In providing advice to the Department, PACs’ main objective should be to help ensure that child care
places are allocated where they are needed and that families requiring care for their children are able to
access the kind of services they want. PACs should seek to make recommendations that meet the market
demand rather than direct families into any particular form of care. Accordingly PACs would be ex-
pected to recommend that places be allocated to any area where an existing service type is operating at capacity and there is evidence of an unmet demand for additional places of that kind.
PACs’ advice should take into account the impact that any new places may have on existing services in an area.

PAC MEMBERS
Each State or Territory Manager of the Australian Government Department of Family and Community Services is responsible for the membership of their own PAC.
PACs are chaired by the State or Territory Manager (or his or her representative).
PACs usually include representatives from State and Local Government and from organisations representing both private and community based long day care centres, family day care and outside school hours care.
Representatives from other organisations, or individual experts in child care provision or planning, may be included on PACs at the discretion of the State or Territory Manager. PACs should usually have no more than 8 members, in addition to the Chair.
Members who serve as representatives of governments or child care organisations (but not members who serve as individuals in their own right) may, with the prior agreement of the State or Territory Manager, bring one observer to a meeting in order to introduce an alternate member to PAC operations.
PAC members are expected to add value to the planning process and as such should not depend only on the information and data provided by the Department. PAC members are encouraged to bring information from their own areas of expertise to PAC meetings, including data or local knowledge of the industry.
PAC members may sometimes find themselves involved in discussions on matters in which they have a personal financial or business interest. It is important for the integrity of the PAC process that members declare any potential conflict of interest they may have and/or absent themselves from discussion on such matters.

CONFIDENTIALITY
The Department recognises the sensitive nature of much of the child care data that may be compiled for consideration by PACs. With the exception of material that is already publicly available, all materials prepared by the Department to inform PAC deliberations are not intended for industry or public exposure and should be treated as confidential.
Similarly, all discussion at PAC meetings should be treated as confidential. Nothing that is said at meetings should be repeated outside meetings or attributed to individual members.
PAC members should note that the Senate Estimates Community Affairs Committee is entitled to access PAC minutes and that the Department has agreed to provide the Committee with copies of all meetings held after July 2004.
Consistent with the requirement that discussion at PAC meetings should be treated as confidential, minutes will not include details of discussions or attribute views to individual members. Minutes should give a broad outline of matters discussed, but have a primary focus on identifying the advice provided to the Department and the rationale for that advice. Draft minutes will be made available to PAC members for comment and clearance before they are finalised.

Counter-Terrorism Exercises
(Question No. 2634)

Mr Melham asked the Attorney-General, in writing, on 10 November 2005:
What was the total cost to the Commonwealth Government of the (a) Mercury 04 and (b) Mercury 05 national counter-terrorism exercise.

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

(a) The total cost to the Australian Government within the National Counter-Terrorism Committee’s (NCTC) special fund (an administered fund which is managed by the Protective Security Coordination Centre within the Attorney-General’s Department) of national counter-terrorism exercise Mercury 04 was $1.48 million. Individual Australian government agency costs are accounted for within individual agency budgets.

(b) The total estimated cost to the Australian Government within the NCTC special fund of national counter-terrorism exercise Mercury 05 is $2.3 million. The final cost will be available in early 2006.

**Australian Defence Satellite Communications Station**

(Question No. 2635)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 10 November 2005:

Further to the answer to question No. 2326 (*Hansard*, 1 November 2005, page 95), what are the names of the successive officers in charge at the Australian Defence Satellite Communications Station in Geraldton, Western Australia.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

As a matter of policy, the Defence Signals Directorate does not publicly identify non-Senior Executive Service officers.

**Shoal Bay Receiving Station**

(Question No. 2636)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 10 November 2005:

Further to the answer to question No. 2327 (*Hansard*, 1 November 2005, page 96), what are the names of the successive officers in charge at the Shoal Bay Receiving Station in the Northern Territory.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

As a matter of policy, the Defence Signals Directorate does not publicly identify non-Senior Executive Service officers.

**Pine Gap Defence Facility**

(Question No. 2637)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 10 November 2005:

What is the Australian Public Service classification level of the position held by the Australian Deputy Chief of Facility at the Joint Defence Facility Pine Gap.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

Senior Executive Service Band 1.
Workplace Relations
(Question No. 2638)

Mr Murphy asked the Minister for Education, Science and Training, in writing, on 10 November 2005:

(1) Has he read the statement by the Council of Catholic School Parents NSW & ACT (CCSP) titled ‘Concerns over Workplace Reform’ dated 28 October 2005 which stated their concerns that young people are particularly vulnerable to the offering of reduced employment conditions and, in the event the Work Choices Bill 2005 becomes law, the CCSP is calling for changes to the secondary school curriculum to reflect the new reality facing young people entering the workplace for the first time by recognising the need for them to negotiate an employment contract.

(2) Will he ensure that students in secondary schools are taught how to negotiate an employment contract; if so, when; if not, why not.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) I am aware of the statement by the Council of Catholic School Parents NSW and ACT through the report in the Sydney Morning Herald of 29 October 2005.

(2) Decisions about curriculum content are a matter for school authorities to determine. However, it should be noted that, the new WorkChoices system will contain a number of protections for young people negotiating AWAs.

First, WorkChoices will introduce a requirement that if a person is negotiating an AWA and is under the age of 18, the AWA will also have to be signed and dated by an appropriate person, such as a parent or guardian, before the AWA can be lodged. The appropriate person cannot be the employer and must be at least 18 years of age.

Second, anyone negotiating an agreement of any sort will continue to be able to appoint a bargaining agent to negotiate on their behalf. An employer must recognise an appointed bargaining agent.

Third, the Office of the Employment Advocate (OEA) will be able to explain the contents of agreements to employees. In doing so, the OEA will take into account the circumstances of vulnerable employees such as young people.

Tourism
(Question No. 2639)

Mr Martin Ferguson asked the Minister for Small Business and Tourism, in writing, on 10 November 2005:

(1) Will she make available a report by industry to her predecessor called ‘Growing Yield for Australian Tourism’.

(2) Will she make available a progress report on the Restaurant and Catering Group Industry Action Group.

(3) Can she confirm that funds remain unallocated for the Tourism White Paper.

(4) Will she make available a progress report on the implementation of the White Paper.

Fran Bailey—The answer to the honourable member’s question is as follows:

(1) No.

(2) The Restaurant and Catering Industry Action Agenda’s First Year Implementation Report was delivered to the Minister for Industry, Tourism and Resources, the Hon Ian Macfarlane MP, in August 2005. A copy of the report is available from the House of Representatives Table Office, and also available on the Department of Industry, Tourism and Resources’ website.
(3) No funds are unallocated for the Tourism White Paper.

(4) The 2005 Tourism White Paper Annual Progress Report is currently being prepared and will be released shortly.

**Maritime Surveillance**

*(Question No. 2642)*

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 28 November 2005:

(1) Is it the case that Australia’s maritime patrol aircraft are not able to meet Australia’s bilateral maritime surveillance commitments in the South Pacific because of their deployments to Iraq as indicated on page 212 of the Department of Defence Report for 2004-2005.

(2) Is it the case that Australia’s involvement in Iraq has absorbed military resources that could otherwise be dedicated to the security of Australia’s immediate region in the Pacific.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) No. Australia does not have aerial maritime surveillance commitments in South Pacific countries. RAAF AP-3C Orion aircraft are utilised on an ‘as available’ basis to provide aerial surveillance assistance. This support to the Pacific, which is coordinated regionally, supplements aerial surveillance patrol assistance provided by New Zealand, France and the United States. Australia’s primary vehicle for maritime surveillance support to the Pacific is the Pacific Patrol Boat Program.

(2) No. Australia remains committed to providing maritime security support to the Pacific region and works closely with the Governments of New Zealand and France to ensure there is no duplication of effort in satisfying this important task.

**Australian Defence Force**

*(Question No. 2643)*

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 28 November 2005:

(1) In respect of ADF activities in South East Asia, will the Minister list all (a) joint (i) operations and (ii) training exercises between the ADF and other military forces in the region and (b) training programs that the ADF is either participating in or leading in the region.

(2) In respect of the ADF’s participation in each activity identified in part (1) what sum has been (a) allocated and (b) spent.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) and (2) For activities in South East Asia, see the following publicly available information:


Exercises – see the Defence Annual Report 2004-05, page 168, and the Defence Portfolio Budget Statements 2005-06, pages 107-112; and

National Security: Terrorism
(Question No. 2644)

Mr McClelland asked the Attorney-General, in writing, on 28 November 2005:
Would he update the answer to question No. 3595 (Hansard, 3 August 2004, page 32015).

Mr Ruddock—The answer to the honourable member’s question is as follows:
The responses to questions (1) to (5) in question No. 3595 remain the same, namely:
(1) On the basis of the information currently available to ASIO, ASIO is not aware of any al-Qa’ida investment in companies listed on the Australian Stock Exchange.
(2) The Minister for Foreign Affairs administers the Charter of the United Nations Act 1945 and the Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002 for the purposes of the freezing of assets of listed individuals or terrorist organisations.
(3) I do not comment on the specifics of what is, or is not, being investigated by Commonwealth authorities.
(4) I do not provide specific comment on Government agencies’ relationships and work with British, or other, intelligence services.
(5) On the basis of the information currently available to ASIO, it is not aware of any al-Qa’ida investments in Australia. Should ASIO become aware of such investments it would refer the matter to and work jointly with, the Australian Federal Police, for action under the relevant legislation.

In response to question (6), no new accounts or assets have been frozen under the Charter of the United Nations (Terrorism and Dealings with Assets) Regulations 2002 since I answered Mr Danby’s question No. 3595.

Foreign Fishing Vessels
(Question No. 2646)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, in writing, on 28 November 2005:
Would the Minister update the answer to question No. 667 (Hansard, 10 May 2005, page 312).

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:
These responses are only in respect of Customs actions. Details on the Australian Defence Force actions with foreign fishing vessels (FFV)s should be addressed to the Minister for Defence.

(1) (a), (b), (c) (i) – Previous advice is unchanged.
(c) (ii) Previous advice is updated to reflect that custody of the crew is transferred to Customs. It was previously the Australian Fisheries Management Authority (AFMA).

Once a decision is made to detain a FFV and bring it to port it is either towed or escorted and the ACV immediately assumes duty of care for the FFV and its crew. If the ACV’s Commanding Officer considers that the FFV is seaworthy and towable, the FFV crew and their personal effects are transferred to the ACV to ensure their safety. Upon arrival in port and after completion of quarantine clearances, custody of detained FFVs is then transferred to AFMA and the crew are transferred to Customs.

(2) (a) During the 2003-04 financial year, ACVs apprehended 65 FFVs. During the 2004-05 financial year, ACVs apprehended 80 FFVs. During the first four months in the current financial year, ACVs have apprehended 36 FFVs.
(b) Previous advice is unchanged.
(3) No directions have been issued by Customs putting a restriction on the numbers of FFVs to be appreheinded.

Consultancy Services
(Question No. 2647)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, in writing, on 28 November 2005:
Did the Minister’s department engage Paxus Australia to provide consultancy services at a cost of $102,300; if so, what services were provided under the terms of this contract.

Mr John Cobb—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:
Under the Deed of Standing Offer between the Department of Immigration and Multicultural and Indigenous Affairs and Paxus Australia, the Department used PAXUS to engage a contractor at a cost of $102,300. The contracted services include, but are not limited to, Access/Excel software development.

Consultancy Services
(Question No. 2648)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, in writing, on 28 November 2005:
Did the Minister’s department engage Bob Brewster to provide consultancy services at a cost of $11,286; if so, what services were provided under the terms of this contract.

Mr John Cobb—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:
On 29 August 2005, the Registrar of Aboriginal Corporations appointed Bob Brewster as Administrator of Billa Downs Aboriginal Corporation under section 71 of the Aboriginal Councils and Associations Act 1976 (the ACA Act). This appointment was necessary after the grounds outlined in s71(2) of the ACA Act were established by the Registrar. The main aim of an Administrator is to restore good operational order and implement good corporate governance practices. This was for a value of $11,286 (GST inclusive).
The Registrar of Aboriginal Corporations is a statutory appointment under the ACA Act. Notwithstanding this, in accordance with the ACA Act, the Registrar is employed as a public servant under the Public Service Act 1999.

Consultancy Services
(Question No. 2649)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, in writing, on 28 November 2005:
Did the Minister’s department engage Walker Reid to provide consultancy services at a cost of $22,200; if so, what services were provided under the terms of this contract.

Mr John Cobb—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:
On 5 October 2005, the Registrar of Aboriginal Corporations appointed Walker Reid as Administrator of Uwoyand Tribal Aboriginal Corporation under section 71 of the Aboriginal Councils and Associations Act 1976. This appointment was necessary after the grounds outlined in s71(2) of the ACA Act.
were established by the Registrar. The main aim of an Administrator is to restore good operational order and implement good corporate governance practices. This was for a value of $22,200 (GST inclusive). The Registrar of Aboriginal Corporations is a statutory appointment under the ACA Act. Notwithstanding this, in accordance with the ACA Act, the Registrar is employed as a public servant under the Public Service Act 1999.

**National Speakers Series**

(Question No. 2654)

Mr Bowen asked the Minister for Health and Ageing, in writing, on 28 November 2005:

(1) Did the Minister’s department engage (a) Inform Communicate Motivate International for the hiring of speakers at a cost of $51,700 and (b) Azzopardi and Partners at a cost of $9,188 for planning for the National Speakers Series.

(2) Which speakers were engaged for the National Speakers Series.

(3) Who attended the National Speakers Series.

(4) What was the total cost of conducting the National Speakers Series.

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

(1) (a) Yes.

(b) The department has engaged Azzopardi and Partners at a cost of $11,022 to provide graphic design services for the National Speakers Series.

(2) The following speakers have participated in the National Speakers Series as at 22 December 2005:

- Ms Liz Ainsworth – Queensland Department of Housing
- Ms Wendy Bell - Bell Planning and Associates
- Ms Ricky Burges – Chief Executive Officer, Western Australia Local Government Association
- Dr Murray Coleman – Small, Quinton, Coleman Architects
- Mr Paul Coonan – Queensland Department of Housing
- Mr John Deshon – Queensland Architect
- Ms Jean Elder – Consultant to the Municipal Association of Victoria
- Mr Tim Eltham – Queensland Manager, Community and Education Services, Delfin Lend Lease
- Mr Peter Gianoli – Mirvac Fini, Western Australia
- Ms Billie Giles-Corti – Professor of Population Health, University of Western Australia
- Mr Peter Hall – Victor Harbour Council, South Australia
- The Hon Michael Harbison - The Lord Mayor of Adelaide
- Dr Andrew Hollows – Assistant Director, Australian Housing and Urban Research Institute
- Mr Chris Johnson – Executive Director, NSW Department of Planning
- Ms Kirsty Kelly – Jensen Consulting
- Ms Natalie Kent – Manager, Finance and Community, Local Government Association of Queensland
- Mr Brian Kidd – Western Australian Architect
- Cr Geoff Lake – Vice President, Australian Local Government Association
- Dr Shane Murray – Associate Professor of Architectural Design, RMIT University
- Mr Paul Ogden - South Australian Housing Trust

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Dr Diana Olsberg - Director University of NSW Research Centre on Ageing and Retirement
Mr Wayne Petrie – Manager, Sustainable Housing Program
Dr Bernard Salt – Partner KPMG
Dr Alison Wicks – Director, Australasian Occupational Science Centre, University of Wollongong

(3) Over 600 stakeholders have attended the National Speakers Seminars to date from a broad range of groups including builders, property developers, town planners, health professionals, architects, aged care providers, academics, designers, disability sector representatives, and all levels of government.

(4) The budget for the National Speakers Series is $346,000. Eight of the twelve scheduled seminars have been conducted as at 22 December 2005.

Osteoporosis
(Question No. 2677)

Mr Gibbons asked the Minister for Health and Ageing, in writing, on 28 November 2005:

(1) Is he aware that there is a significant number of people being assisted by Fosamax medication for osteoporosis conditions.

(2) Is he aware that Caltrate tablets are often prescribed as an alternative medication for osteoporosis conditions but are not anywhere near as effective as Fosamax in the treatment of osteoporosis.

(3) What measures will he take to ensure that Fosamax stays on the PBS.

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

(1) Yes.

(2) Caltrate tablets are not an alternative to Fosamax® (alendronate) therapy for osteoporosis. All patients with osteoporosis should have an adequate daily calcium intake, either from diet alone (especially dairy products) or from diet plus calcium supplementation (eg. with Caltrate). However, calcium alone is usually not adequate to treat osteoporosis.

(3) The Australian Government has no plans to de-list Fosamax® (alendronate) from the Pharmaceutical Benefits Scheme (PBS), nor is it aware of any plans by the manufacturer of Fosamax® to remove this product from the PBS.

Family Relationship Centres
(Question No. 2678)

Mr Gibbons asked the Attorney-General, in writing, on 28 November 2005:

(1) Is he aware that Bendigo has not been allocated funding for a Family Relationship Centre.

(2) Is he aware that Family Relationship Centre will be established in Ballarat and Shepparton, both of which are more than one hour away from Bendigo.

(3) Is he aware that the demand for a Family Relationship Centre in Bendigo exceeds the demand in many other districts that will have a Family Relationship Centre.

(4) Can he explain why Bendigo, which has a Children’s Contact Service, is not considered to need, and is not being funded for, a Family Relationship Centre.

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

(1) and (2) Yes.

(3) Until the Family Relationship Centres have been established, the likely demand for these services can only be estimated from demographic and other data. However, in deciding on the location of Family Relationship Centres, I also needed to take into account accessibility across the country and
the availability of other services. To ensure accessibility in a regional area, some centres will need to be located in areas of smaller population compared with centres in the cities.

(4) It is not possible to place a Family Relationship Centre in every regional city. The selected locations ensure the best spread of Family Relationship Centres across the country. Bendigo is relatively close to Family Relationship Centres to be established in Ballarat, Shepparton and Melbourne.

The Government already funds a range of services to assist families in Bendigo. As well as the children’s contact service, the Government also funds a regional primary dispute resolution service, family relationships counselling, family relationships education, family skills training and a conciliation service.

Pensions: Assets Test
(Question No. 2679)

Mr Gibbons asked the Minister representing the Minister for Family and Community Services, in writing, on 28 November 2005:

(1) Is the Minister aware that many pensioners live on farmlets and that many farmlets are in rural zonings, cannot be subdivided and are on marginal land that cannot provide an income.

(2) Can the Minister confirm that that part of a pensioner’s residential property larger than five acres is regarded by Centrelink as an asset.

(3) Can the Minister confirm that in circumstances where a farmlet produces no income whatsoever it is still deemed to be an asset and, depending on its value, may reduce an individual’s pension or Mature Age Allowance entitlement or render them ineligible; if so, can the Minister explain the rationale for applying the assets test in this way.

Mr Hockey—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Yes

(2) Not in every case – see answer 3

(3) The Australian social security system is a safety net system that is designed to support people who do not have the assets or income to support themselves.

Since 1985 all real estate, apart from the family home, has been assessed. This includes any land beyond the two hectares around the family home. This rule was used by successive governments to ensure that people with significant real estate assets support themselves before calling on the taxpayer for support.

In limited circumstances someone with a valuable asset but no income can qualify for support through the Social Security Act’s hardship provisions.

Western Sahara Imports
(Question No. 2684)

Mr Albanese asked the Minister for Trade, in writing, on 28 November 2005:

(1) Can the Minister say whether phosphate mineral rock like substances or any mining or other primary products sourced from the territory of Western Sahara are being imported; if so, what is the volume of each substance and product imported in (a) 2004-2005 and (b) 2005-2006 to date.

(2) If no substances and products are currently being imported from the territory of Western Sahara, will he give an assurance that none will be allowed to be imported; if not, can he explain why he will not give an assurance.
Mr Vaile—The answer to the honourable member’s question is as follows:

(1) I am aware of media reports that phosphates have been imported into Australia, sourced from Western Sahara. However, the Department of Foreign Affairs and Trade has no official records of imports of phosphate mineral rock like substances or any mining or other primary products from the territory of Western Sahara for the period 2004-2005 and 2005-2006 (current at 29 November 2005).

(2) There are no United Nations Security Council sanctions or bilateral sanctions prohibiting imports from Western Sahara.

Multimedia Concepts
(Question No. 2687)

Mr Brendan O’Connor asked the Minister representing the Minister for Defence, in writing, on 28 November 2005:
Did the Minister’s department engage Multimedia Concepts at a cost of $110,000; if so, what services were provided under the terms of this contract.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:
Yes. Multimedia Concepts specialises in developing technology-based learning, and was selected after the application of a formal tender evaluation process to author (code) a logistics e-learning module. This includes the treatment and, in some cases, the construction of support resources (audio files, photographs, graphics and animations) and the authoring (coding) of the module for release on the Defence information network.

Freelance Consulting Services
(Question No. 2689)

Mr Brendan O’Connor asked the Attorney-General, in writing, on 28 November 2005:
Did his department engage Freelance Consulting Services at a cost of $503,360; if so, what services provided under the terms of the contract.

Mr Ruddock—The answer to the honourable member’s question is as follows:
My Department has advised that it has not made any payments to Freelance Consulting Services.

New Apprenticeships Incentive Program
(Question No. 2690)

Ms Macklin asked the Minister for Vocational and Technical Education, in writing, on 28 November 2005:
For each year since 1998, what was the total value of employer incentives paid under the New Apprenticeship Incentive Program for each level of the Australian Qualifications Framework.

Mr Hardgrave—The answer to the honourable member’s question is as follows:
The following table details New Apprenticeships employer incentives, exclusive of GST, paid since 1998 by the Australian Qualifications Framework (AQF) Certificate Level of the qualification that the New Apprentice is undertaking. All data is drawn from the Department of Education, Science and Training’s Training and Youth Internet Management System database as at 2 December 2005.
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Note: New Apprenticeships employer incentives are only available for AQF Levels 2, 3 and 4. Incentives paid against AQF Level 1, Diploma and Advanced Diploma level qualifications will be as a result of New Apprentices changing qualification levels after incentives have been paid.

Millennium Development Goals
(Question No. 2712)

Mr Kelvin Thomson asked the Minister for Foreign Affairs, in writing, on 29 November 2005:

(1) Is he aware that the United Nations (UN) is funded from three different sources: assessed contributions to the regular budget; assessed contributions for peacekeeping operations; and voluntary contributions for specialised agencies and subsidiary organisations.

(2) What sums does the Australian Government provide in voluntary contributions for UN specialised agencies and subsidiary organisations.

(3) Is he aware that funds from this source have been decreasing every year with the effect that the UN has the same sum of money to spend on staff but less money with which its staff can work, such as for the work of UNICEF and the World Health Organisation.

(4) Did the Government participate in discussions at the recent Commonwealth Heads of Government Meeting in Malta concerning how the Commonwealth can support the UN to improve system-wide coherence of the UN at a country level; if so, what action has it taken or does it intend to take to achieve this objective.

(5) Is he aware that both the UN and the Commonwealth continue to reaffirm their commitments to reach 0.7% development assistance target by 2015 so that the world can achieve the Millennium Development Goals.

(6) Is he aware that the percentage of GNP that Australia allocated to overseas development assistance in 2004 was 0.25%.

(7) What action is the Government taking towards meeting the 0.7% target.

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

(1) Yes.

(2) Total voluntary contributions, through the Australian aid program, to UN specialised agencies and subsidiary organisations increased from $179.5 million in 2003-04 to $217.5 million in 2004-05 – an increase of $38 million.

(3) Total voluntary contributions, through the Australian aid program, to UN specialised agencies and subsidiary organisations have not been decreasing every year.

(4) Yes, Australia agreed through the CHOGM Communiqué to pursue action to strengthen the management and coherence of the UN humanitarian and development systems.

QUESTIONS IN WRITING
(5) Yes.

(6) Yes.

(7) The Government will continue to support the UN goal of 0.7 per cent ODA/GNI as an aspiration and endeavour to maintain aid at the highest level, consistent with the needs of partner countries, our own capacity to assist and other priorities for Australian Government expenditure. In September 2005, the Prime Minister announced Australia’s intention to increase its overseas aid allocation to about $4 billion a year by 2010. Such an increase will represent a doubling of Australia’s overseas aid from 2004 levels.

Consultancy Services
(Question No. 2713)

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 29 November 2005:
Did his Department engage (a) Sue Kennedy for $12,100, (b) M Williams and Associates for $12,996, (c) Dr G Evans for $15,850, (d) Dr A Hayward for $26,165, (e) Price Waterhouse Coopers for $1.25 million, (f) KPMG for $10,136.50, (g) Brett Henderson for $12,100, and (h) Ross Logic for $10,000; if so, for what specific purpose was the consultant engaged.

Mr McGauran—The answer to the honourable member’s question is as follows:
(a) Yes. Preliminary assessment of grant applications for the Food Processing in Regional Australia Program Advisory Group.
(b) Yes. Facilitation and reporting of the recycled water and third party access symposium of the 14th December 2005.
(c) Yes. Preparation of training and presentation materials and the delivery of a workshop regarding Pest Risk Analysis.
(d) Yes. Specialist advice to the Import Risk Analysis Team regarding importation of bananas from the Philippines.
(e) Yes. Providing assistance to Regional Advisory Groups in finalising regional plans.
(f) No. However, a review of departmental records reviews that KPMG was engaged for $101,365.00 to assist the Citrus Industry in undertaking an analysis of their structure and setting future directions in order to improve their resilience and sustainability.
(g) Yes. Preparation of competitiveness analyses’ and the provision of support services for the Food Processing in Regional Australia Program Advisory Group, and
(h) Yes. Development of web based application for reporting rainfall and water profiles, and monthly and annual water balance reports for 245 catchments (river basins) across Australia.

Consultancy Services
(Question No. 2714)

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 29 November 2005:
Did his Department engage (a) Kerry Trapnell for $130,800 and (b) Expertise Events for $12,240 for public relations and marketing purposes; if so, (i) what specific services were provided under the contract and (ii) why was it considered necessary to engage the contractor for this purpose.

Mr McGauran—The answer to the honourable member’s question is as follows:
(a) A review of the Department’s records reveal that Kerry Trapnell was engaged for $35,592:
(i) Photographic services.

QUESTIONS IN WRITING
(ii) Specialist skills not available within the Department.
(b) Yes:
(i) Provision of event space at the Sydney and Melbourne Travel Expos to enable distribution of
the ‘Quarantine Matters’ message.
(ii) The contractor was the sole agent.

Agriculture, Fisheries and Forestry: Official Hospitality
(Question No. 2716)

Mr Brendan O’Connor asked the Minister for Agriculture, Fisheries and Forestry, in writ-
ing, on 29 November 2005:
Did his department spend $13,000 on official hospitality at Crown Casino; if so, (a) who was the ben-
eficiary of this hospitality, (b) why was Crown Casino chosen over other providers, and (c) what was the purpose of the hospitality.

Mr McGauran—The answer to the honourable member’s question is as follows:
The Australian Government Department of Agriculture Fisheries and Forestry did not spend $13,000 on
official hospitality at Crown Casino, however, official hospitality was provided by the Department of
Agriculture Fisheries and Forestry in the pre-function area of the Crown Promenade Hotel.
(a) The beneficiaries of this official hospitality at the Crown Promenade pre-function area were 224
international and domestic delegates.
(b) The Crown Promenade Hotel pre-function area was chosen over other providers for its proximity to
the Codex Committee on Food Import and Export Inspection and Certification Systems venue.
(c) A welcome reception for 224 international and domestic delegates from 82 countries and 1 member
organisation and observers from 10 international organisations attending the 14th Session of the
Codex Committee on Food Import and Export Inspection and Certification Systems.

Aruspex Pty Ltd
(Question No. 2717)

Mr Brendan O’Connor asked the Minister for Agriculture, Fisheries and Forestry, in writ-
ing, on 29 November 2005:
Did his department engage Aruspex Pty Ltd at a cost of $33,000; if so, what were the services provided
under the terms of this contract.

Mr McGauran—The answer to the honourable member’s question is as follows:
There is currently no contract in place between Aruspex Pty Ltd and the Department. The Department
has utilised the services of Aruspex Pty Ltd for an amount of $8,000. While a purchase order has been
prepared for an amount of $33,000, it is for anticipated use only.

Development and Training Services
(Question No. 2718)

Mr Brendan O’Connor asked the Minister for Agriculture, Fisheries and Forestry, in writ-
ing, on 29 November 2005:
Did his Department engage New Horizons Computer Learning Centre at a cost of $14,950.09 for staff
development and training; if so, (a) what development and training services were provided to staff and
(b) how many members of staff took advantage of the services offered under this contract.
Mr McGauran—The answer to the honourable member’s question is as follows:
Yes.
(a) Desktop applications training.
(b) There will be 68 members of staff attending a full day training course.

Leopoldyna McGee
(Question No. 2719)

Mr Brendan O’Connor asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 29 November 2005:
Did his department engage the services of Leopoldyna McGee at a cost of $12,100; if so, what were the services provided under the terms of this contract.

Mr McGauran—The answer to the honourable member’s question is as follows:
The Department entered into a contract with Leopoldyna McGee to a maximum value of $12,100 (GST inclusive). Ms McGee is paid per application assessment completed. The contract commenced on the 26 October 2005 and continues until 30 June 2006.
Ms McGee has been engaged for the provision of specific services to the Food Processing in Regional Australia Programme (FPRAP) Advisory Group. These services include the preliminary assessment of grant applications, a process which requires a specific knowledge base and skills set. Under the risk management strategies adopted by the programme, contractors engaged for this task have an extensive background in grants management, as well as a thorough knowledge of the FPRAP. Ms McGee possessed the required experience, skills and knowledge to undertake this specific work.
To date, Ms McGee has been paid a total of $300 for her services to the Advisory Group. With only one round still to be assessed in this financial year, it is now unlikely that the total contract value will exceed $1500.

Michael Williams and Associates Pty Ltd
(Question No. 2720)

Mr Brendan O’Connor asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 29 November 2005:
Did his department engage the services of Michael Williams & Associates Pty Ltd at a cost of $12,996.50; if so, what were the services provided under the terms of this contract.

Mr McGauran—The answer to the honourable member’s question is as follows:
Yes, the services provided under the terms of this contract are:
(1) To facilitate the Water Recycling and Third Party Access Symposium, 14 December 2005 and assist with issues associated with water management and water recycling contained within the research papers titled ‘Research into access to recycled water and impediments to recycled water investment’ and ‘Third party access to water supply and sewer infrastructure: Implications for Australia’.
(2) Participate in two planning pre-meetings prior to the 14 December 2005 Symposium.
(3) Facilitate group discussion at the end of each Symposium session, leading participants to general discussion and consensus if possible around issues associated with supply and use of recycled water and third party access.
(4) Provide a scribe to note the proceedings of the Symposium as per the agreed “boiler plate” and style sheet provided by Department of Agriculture, Fisheries and Forestry (DAFF). Both the facilitator and the scribe are required to assist in the running of the Symposium. The consultant is re-
required to prepare a draft Symposium report which will be forwarded to DAFF in hardcopy and
electronic form.

(5) The consultant will take into account co-ordinated comment provided by DAFF to the draft Sym-
posium report and prepare a final Symposium report. The final report (approximately 7-10 pages
plus appendices and presentations) will be a plain-English summary of the key outcomes, messages
and actions arising from the Symposium

(6) Provide a hardcopy and an electronic copy version of the final Symposium report to DAFF.

**Strategy International**

(Question No. 2723)

Mr Brendan O’Connor asked the Minister representing the Minister for Defence, in writ-
ing, on 29 November 2005:

Did the Minister’s department engage the services of Strategy International at a cost of $39,999.99; if
so, what were the services provided under the terms of this contract.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the
honourable member’s question:

Yes, at a cost of $40,000. This was to secure the services of a nationally recognised expert, Professor
Ross Babbage, to coordinate, prepare, facilitate and report a series of review workshops on an internal
departmental publication dealing with military planning.

**Treasury: Staffing**

(Question No. 2726)

Ms Macklin asked the Minister for Revenue and Assistant Treasurer, in writing, on 29 No-
vember 2005:

(1) For the department and each agency in the Minister’s portfolio, what was the total staffing level in
(a) 2001, (b) 2002, (c) 2003, (d) 2004, and (e) 2005.

(2) For the department and each agency in the Minister’s portfolio for (a) 2001, (b) 2002, (c) 2003, (d)
2004, and (e) 2005 how many New Apprentices (i) had commenced and (ii) were employed.

(3) How many of the New Apprenticeships referred to in part (2) were traditional apprenticeships (as
defined by the National Centre for Vocational Education Research as an apprenticeship in an occu-
pation in Australian Standard Classification of Occupations Group 4 - Tradespersons and Related
Workers - at AQF level 3 or above with an expected duration of more than 2 years full time).

(4) How many traditional apprenticeships does the department and each agency in the Minister’s port-
folio intend to offer to commence in 2006.

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

(1) (a) 30 June 2001: 20,328
(b) 30 June 2002: 19,318
(c) 30 June 2003: 21,718
(d) 30 June 2004: 21,009
(e) 30 June 2005: 22,294

(2) (a) to (e) Nil
(3) Not applicable
(4) None
Iraq

(Question No. 2747)

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 30 November 2005:

(1) Is the Minister aware that packages from family members in Darwin to Darwin-based Australian troops in Iraq are taking seven to 10 days to travel by road to Sydney before being sent to Iraq.

(2) Is the Minister aware that this delay may affect the delivery of Christmas gifts to some troops in Iraq.

(3) Is the Minister aware of a more expeditious means of getting mail and packages to the troops in Iraq so that delays of this nature will not prevent some Australian troops from receiving Christmas gifts.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) Mail is carried by an Australia Post Contractor into the Middle East. Australia Post has confirmed that mail takes only three to five working days to get from Darwin to Sydney. The following information is provided:

Australia Post’s performance standard from Darwin Metro to Sydney Metro is as follows:

- for articles posted on Monday or Tuesday - five working days;
- for articles posted on Wednesday or Thursday - four working days; and
- for articles posted on Fridays - three working days;

100 per cent of the sampled parcels from November to 15 December 2005 met these performance standards.

There have been no transport delays over this route.

(2) Deployed members have been advised of the time to post goods to allow for timely delivery. Australian Headquarters staff in Iraq have confirmed that the closure date was advised to them and thus to the members deployed in the Middle East.

(3) No. All units and their families were advised in late October/early November that the cut-off dates for Christmas mail to Iraq was 8 December 2005.

M113AS4 Armoured Personnel Carrier

(Question No. 2748)

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 30 November 2005:

(1) Can the Minister confirm that (a) the M113AS4 upgraded Armoured Personnel Carrier will be a combat weight of 18 tonnes and will be too heavy for the existing M113A1 lift vehicle, (b) the Project Overlander solution to address the increased weight may not be able to transport the M113AS4s or may result in a reduced lift capacity, (c) the M113 Major Upgrade Contract provides that the upgraded vehicles are to be transportable by road within Australia, and (d) the M113AS4 vehicles will no longer be amphibious due to the increased weight and will require transport by rail and C130 aircraft.

(2) Will these factors diminish the lift capability of the M113 fleet of vehicles contrary to the intent of the contract; if not, can the Minister explain why not.

(3) What impact will the increased weight have on the (a) lift capability of the M113 fleet of vehicles and (b) overall military capability of the M113AS4.

QUESTIONS IN WRITING
(4) Can the Minister confirm that the engine heating and radiation problems of the M113 identified in 2003 have not been adequately rectified.

(5) Can the Minister confirm that the upgraded M113 expected introduction into service and final delivery dates of November 2006 and 2010, respectively, are still achievable in light of delays and problems identified by the Australian National Audit Office in its report of July 2005.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) (a) Yes, and it will be too heavy for the existing Mack truck, but will be able to be transported using Army semi-trailers.
(b) The weight of the M113AS4 Armoured Personnel Carrier in transport configuration, that is, without crew and passengers, is 17 tonnes. The Project Overlander solution will be capable of transporting the vehicles in this configuration.
(c) Yes.
(d) The M113AS4 will not be amphibious. The M113AS4 will be transportable by rail, road, sea and C130 or larger aircraft.

(2) No. The M113AS4 weight is in accordance with the contract.

(3) (a) Until Project Overlander delivers new vehicles, road lift capability will be limited to semi-trailers.
(b) The increased military capability from improved armour protection, mobility and firepower far outweighs the drawbacks of the associated increase in vehicle weight.

(4) The problems have been adequately rectified.

(5) Yes.

Tools For Your Trade Initiative

(Question No. 2749)

Ms Macklin asked the Minister for Vocational and Technical Education, in writing, on 30 November 2005:

Despite not being mentioned in the list of eligible trades in the Minister’s press release announcing the launch of the Tools for Your Trade initiative dated 25 November 2005, are apprentice bakers eligible for the Government’s toolkit.

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

Apprentice bakers are not eligible to the Australian Government’s Tools For Your Trade initiative. Only New Apprentices who are training in an occupation that has been identified by the Department of Employment and Workplace Relations as a trade occupation in skills needs are eligible for this initiative.

Australian Defence Force: Recreation Leave Travel

(Question No. 2752)

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 1 December 2005:

(1) Can the Minister confirm that Recreation Leave Travel is an entitlement of certain serving members of the ADF.

(2) Can the Minister confirm that if a serving member of the ADF (a) takes the Recreation Leave Travel entitlement, then it is not Fringe Benefit Tax reportable and (b) transfers the Recreation Leave Travel entitlement to a nominated family member, then it is Fringe Benefit Tax reportable.
Can the Minister confirm that this position impacts unfairly on certain ADF members who elect to transfer the entitlement to Recreation Leave Travel to a nominated family member.

Has the Government considered legislative change to amend this particular aspect of the Fringe Benefit Tax system.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) Yes.

(2) (a) Recreation leave travel taken by an ADF member is subject to fringe benefits tax (FBT). This FBT is paid by Defence, but is reported on the member’s payment summary.

(b) Yes, and is reportable on the ADF member’s payment summary.

(3) and (4) No.

Patent Applications
(Question No. 2759)

Ms Bird asked the Minister for Industry, Tourism and Resources, in writing, on 1 December 2005:

(1) Is he aware of patent applications PCT/AU92/00555 and PCT/AU95/00038.

(2) Were the applications registered.

(3) Which company lodged the patent applications.

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

(1) Yes.

(2) Application PCT/AU92/00555: Yes, it was granted on 25 September 1996, and ceased on 28 May 1998;

Application PCT/AU95/00038: No, it lapsed on 8 May 1997.

(3) Application PCT/AU92/00555 was lodged by John Edward Pink, and Brian Lesley Joseph Buffier. Application PCT/AU95/00038 was lodged by John Edward Pink, and Barbara Joan O’Brien.

Australian Defence Force: Recruitment
(Question No. 2784)

Mr McClelland asked the Minister representing the Minister for Defence, in writing, on 5 December 2005:

(1) Can the Minister confirm that the cover of the ADF Recruiting Strategic Plan 05-10 depicts three commissioned officers, one from each of the Services.

(2) Can the Minister confirm that this depiction is reflective of a focus on the part of the ADF on the recruitment of personnel to commissioned ranks/roles.

(3) Is it the case that some of the most critical personnel shortages are in the technical trades which are predominantly of non-commissioned rank.

(4) Will the depiction of commissioned officers only on material such as the Recruiting Strategic Plan diminish the status afforded to non-commissioned roles within the ADF and subsequently impact adversely on the recruitment of personnel to those roles; if not, can the Minister explain why not.

(5) Can the Minister confirm that factors such as a decline in the funding base for technical training and related skills development and an increasing demand for talent across the emerging workforce are impacting adversely on the retention of trained technical personnel in the ADF.
Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) Yes.

(2) No. The Australian Defence Force (ADF) recruiting focus is to fulfil the current and future workforce needs of the Permanent and Reserve components, in order to generate Defence capability. It is not limited to only commissioned officers.

(3) Yes.

(4) No. The ADF Recruiting Strategic Plan is an internal strategy document and, therefore, not intended for general dissemination outside Defence. The cover represents the three Services, and is not indicative of current recruiting campaigns, or the status assigned to them.

(5) There is no empirical data available that substantiates the claim that trained technical personnel are leaving the ADF because of poor funding and increased demand for their skills from the private sector.

US Strategic Bomber Training Exercises
(Question No. 2785)

Mr Snowdon asked the Minister representing the Minister for Defence, in writing, on 5 December 2005:

(1) In respect of the announcement that the Australian and United States Governments have reached an agreement that will allow US B-52 and B-1 bombers and B-2 stealth bombers to conduct regular training exercises at the Delamere range in the Northern Territory, will the Minister (a) outline what ordnance the bombers will use during these exercises, (b) give an assurance that depleted uranium and other similar heavy metals will not be contained in ordnance used during the training exercises, and (c) outline what the economic and other benefits will be to the Northern Territory and its community resulting from the conduct of the training exercises.

(2) Has an Environmental Impact Statement been undertaken in relation to the training exercises; if not, will one be undertaken.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) With respect to B-1, B-2 and B-52 bombers:

(a) A mixture of practice and conventional munitions, including some precision guided ordnance. These munitions are all certified for use on Australian training ranges.

(b) Yes.

(c) Defence and defence industries are major contributors to the Northern Territory economy. This program will lead to an increase in the number of Australian and United States personnel visiting the Territory with substantial economic benefit to the Territory’s economy. The exact benefit will be determined by the number and scope of activities.

(2) An Environmental Impact Assessment will be conducted and is scheduled to be completed by mid-2006.

Australian Workplace Agreements
(Question No. 2791)

Ms Macklin asked the Minister for Education, Science and Training, in writing, on 6 December 2005:
For each year since 1996, how many Australian Workplace Agreements have been registered at Australian universities.

Mr Andrews—The Minister for Education, Science and Training has referred this question to the Minister for Employment and Workplace Relations. The answer to the honourable member’s question is as follows:

Part VID of the Workplace Relations Act 1996, which provides for Australian workplace agreements (AWAs), came into operation on 12 March 1997.

The following table sets out the number of AWAs approved in Australian Universities for each year since 1st January 2000 until 15th December 2005.

<table>
<thead>
<tr>
<th>Year</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
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<th>2005</th>
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<tr>
<td>AWAs Approved</td>
<td>31</td>
<td>60</td>
<td>48</td>
<td>62</td>
<td>78</td>
<td>432</td>
</tr>
</tbody>
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For the years prior to 2000, no reliable data are available.

United States Military
(Question No. 2806)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 7 December 2005:

For each visit since 1 January 2003 by a United States military aircraft, other United States government aircraft or United States government chartered aircraft to a Royal Australian Air Force airbase or an Australian civilian airport or airfield, (a) what were the dates of arrival and departure, (b) what was the airbase, airport or airfield visited, (c) what was the type of aircraft, (d) what was the United States military unit or government organisation controlling the aircraft, and (e) what was the purpose of the visit.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

The information sought in the honourable member’s question is not readily available. To collect and assemble such information solely for the purpose of answering the question would be a major task, and I am not prepared to authorise the expenditure and effort that would be required.

Pine Gap Defence Facility
(Question No. 2807)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 7 December 2005:

(1) Further to the answer to question No. 175 (Hansard, 8 February 2005, page 155), since February 2005, have any Federal, State or Northern Territory Members of Parliament (a) visited the Joint Defence Facility Pine Gap, and (b) received classified briefings on the functions of the facility; if so, which Members, and when did the visits and briefings take place.

(2) Since February 2005, have any members of the United States Congress or congressional staff visited the Joint Defence Facility; if so, which Members and staff and when did the visits take place.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) and (2) No.
US Strategic Bomber Training Program
(Question No. 2819)

Mr Melham asked the Minister representing the Minister for Defence, in writing, on 8 December 2005:

In respect of the United States (US) Strategic Bomber Training Program announced at the 2005 Australia-US Ministerial Consultations on 18 November 2005, (a) what specific bilateral agreements or arrangements will govern the visits of US B-2, B-1 and/or B-52 aircraft to Australia, (b) how many B-2, B1 and/or B-52 aircraft are expected to visit Australia in 2006, (c) will the proposed training program involve the delivery of live conventional munitions by B-2, B-1 and/or B-52 aircraft, and (d) will the proposed training program in any way simulate the delivery of nuclear weapons, with or without the delivery of inert practice munitions.

Mrs De-Anne Kelly—The Minister for Defence has provided the following answer to the honourable member’s question:

(a) Statement of Principles Between the US Pacific Air Forces and the Australian Defence Organisation Regarding the Conduct of United States Pacific Air Forces Bomber Training in Australia.

(b) The exact numbers of aircraft are yet to be determined. The program may consist of between one and three B-1, B-2, or B-52 aircraft conducting combined training activities on a monthly basis and two B-1 or B-52 aircraft conducting quarterly visits and activities.

(c) The proposed training program may, during the monthly activities only, involve the delivery of conventional munitions by US B-1, B-2 and/or B-52 aircraft. Only munitions certified for use on Australian training ranges will be used.

(d) The training program is focussed on the delivery of conventional weapons. Nuclear weapons are not certified for use on Australian training ranges, nor is it standard US practice to carry nuclear weapons on training flights. The Statement of Principles does not seek to restrict the types of credible training missions the US may choose to simulate.

Consultancy Services
(Question No. 2821)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, in writing, on 8 December 2005:

Did the Minister’s department engage Walker Reid at a cost of $11,000 to provide management consulting services; if so, what services were provided under the terms of this contract.

Mr John Cobb—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

On 19 August 2005, the Registrar of Aboriginal Corporations appointed Walker Reid as Administrator of Mount Morgan Aboriginal Corporation under section 71 of the Aboriginal Councils and Associations Act 1976 (the ACA Act). This appointment was necessary after the grounds outlined in s71(2) of the ACA Act were established by the Registrar. The main aim of an Administrator is to restore good operational order and implement good corporate governance practices. This was for a value of $11,000 (GST inclusive).

The Registrar of Aboriginal Corporations is a statutory appointment under the ACA Act. Notwithstanding this, in accordance with the ACA Act, the Registrar is employed as a public servant under the Public Service Act 1999.
Urban Rail Systems  
(Question No. 2827)

Mr Murphy asked the Minister for Transport and Regional Services, in writing, on 8 December 2005:

(1) Has he read the article by the Member for Wentworth titled ‘Cities give no transport of delight’ in The Age on 25 November 2005 which reported that the House Environment committee report on sustainable cities recommended that the Federal Government take a leading role in Australia’s cities and include other modes of urban transport as objects of its largesse.

(2) Can he confirm that in most comparable countries with federal systems, such as the USA, Canada and Germany, the national government has a leading role in financing urban rail systems; if not, why not.

(3) Will he ensure that the Government becomes involved in urban transport issues by funding or making significant contributions to the funding of urban rail systems, light rail or other public transport solutions in Sydney and Australia’s other major cities; if so, when; if not, why not.

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

(1) Yes, I have read the article by the member for Wentworth.

(2) No, I am unable to confirm this. To do this question justice would require a full study of the intergovernmental fiscal transfers that take place including a comparison of both direct grants and indirect financial assistance. That would be too expensive to justify for the purposes of answering this question. I can say however, that all revenue from the GST goes directly to the States and Territories, and is available for the State and Territory governments to use for funding such public transport systems.

(3) The Government is already involved in urban transport issues through AusLink and through the coordination mechanisms that exist under the auspices of the Australian Transport Council such as the working group on urban passenger congestion. However, the Australian Government’s position is that funding urban public transport systems is fundamentally a State responsibility as these systems primarily serve and deliver localised passenger movements and localised benefits.

Australian Bureau of Statistics: Trade Statistics  
(Question No. 2878)

Mr Rudd asked the Minister for Trade, in writing, on 8 December 2005:

(1) Following the release of the ABS International Trade in goods and services statistics on 6 December for the month of October, what is his department’s assessment of Australia’s trade performance, in particular, is it improving, stable or deteriorating.

(2) What is his department’s assessment of Australia’s export growth over recent years.


(4) Why is Australia’s export growth for 2001-2005 so much less than for any other period since the early 1950s.

(5) What is his department’s assessment of the assertion of ANZ Chief Economist, Saul Eslake, in the Business Review Weekly on 1 December 2005, that Australia is currently experiencing “the worst export performance for more than 50 years”.

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

Note: Reflecting data availability, and in the interest of consistency, all trade data quoted in the responses below are provided on a financial year basis. Trade data for the 2005 calendar year (in both
value and volume terms) will not be released by the ABS until 28 February 2006. Answers reflect data available as of 20 December 2005.

(1) Australia’s goods and services exports in the 10 months to October 2005 rose by 13.9 per cent, compared with the same period in 2004. Australia’s exports are on track to reach record highs in value and volumes terms in 2005. Australia’s trade deficit in the 10 months to October 2005 was $16.3 billion, down from the $20.1 billion deficit in the 10 months to October 2004.

(2) The value of Australia’s goods and services exports grew by 13.4 per cent in 2004-05 from the previous financial year. The volume of Australia’s goods and services exports grew by 2.5 per cent in 2004-05 from the previous financial year.

The value of Australia’s goods and services exports grew by an average annual rate of 3.1 per cent between 2000-01 and 2004-05. The volume of Australia’s goods and services exports grew by an average annual rate of 1.4 per cent between 2000-01 and 2004-05. During this five-year period, Australia’s goods and services exports were adversely impacted by weak regional and global demand, a marked appreciation of the Australian dollar, drought in Eastern Australia, and health and security concerns.

(3) The value of Australia’s goods and services exports grew by an average annual rate of 3.1 per cent between 2000-01 and 2004-05. The volume of Australia’s goods and services exports grew by an average annual rate of 1.4 per cent between 2000-01 and 2004-05.

The value of Australia’s goods and services exports grew by an average annual rate of 6.7 per cent between 1995-96 and 1999-00. The volume of Australia’s goods and services exports grew by an average annual rate of 6.7 per cent between 1995-96 and 1999-00.

(4) Australia’s export growth has fluctuated considerably over the past half century, reflecting a variety of domestic and international influences. For most of the five-year period ending in 2004-05, Australia’s goods and services exports were adversely impacted by weak regional and global demand, a marked appreciation of the Australian dollar, drought in Eastern Australia, and health and security concerns.

(5) There is no basis for such an assertion having regard to the current record level of export values and export volumes. Growth in the volume of exports in the early part of the five year period to 2004-05 was lower than in previous periods since the early 1950s for the reasons outlined in question (4) above.

The value of Australia’s goods and services exports grew by 13.4 per cent in 2004-05 from the previous financial year. The volume of Australia’s goods and services exports grew by 2.5 per cent in 2004-05 from the previous financial year. The value of Australia’s exports are on track to reach record highs in 2005, with exports in the 10 months to October 2005 up by 13.9 per cent, compared with the same 10 month period in 2004.

World Export Market
(Question No. 2879)

Mr Rudd asked the Minister for Trade, in writing, on 8 December 2005:

(1) Has his department undertaken a recent analysis of Australia’s share of the world export market; if so, what does it indicate.

(2) How has Australia’s share of the world export market fared over the past 20 years.

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

Note: Reflecting data availability, all trade data aggregates are on a calendar year basis and for merchandise goods only. Data on trends in trade aggregates in OECD countries is not available prior to 1994.
(1) In 2004, Australia accounted for 0.94 per cent of world merchandise exports, compared to 1.10 per cent of world merchandise exports in 1994. A major contributing factor to this decline has been the increase in significance of exports from emerging economies, notably China, which has increased its share of world exports over the last decade by 3.7 percentage points. For most of the five year period ending in 2004, Australia’s merchandise exports were also adversely impacted by weak regional and global demand, a marked appreciation of the Australian dollar and drought in Eastern Australia.

Over the last decade, Australia’s merchandise exports (in US dollars) have grown by 4.7 per cent per annum, compared with the OECD average (in US dollars) of 5.0 per cent. Over this period Australia’s average export growth was greater than that of major industrialised countries, including the United States, the United Kingdom and Japan.

(2) Over the last 20 years Australia’s share of world merchandise exports has declined from 1.18 per cent to 0.94 per cent. A major contributing factor to this decline has been the increase in significance of exports from emerging countries, notably China, which has increased its share of world exports over the last two decades by 5.1 percentage points.

**Austrade**

(Question No. 2881)

**Mr Rudd** asked the Minister for Trade, in writing, on 8 December 2005:

(1) Will he provide details of all visits to Iraq by employees of Austrade for the period 1999-2003, including the (a) dates, (b) the positions of the officials, (c) cities visited in Iraq, and (d) the details of meetings held with Iraqi Government officials.

(2) Will he provide the details of the reporting by cable or email of the visits.

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

(1) Austrade officials made a number of visits to Iraq in the period 1999-2003 to discuss commercial issues.

(2) No. In keeping with longstanding practice of successive governments, it is not appropriate to make available classified diplomatic reporting.

**Austrade**

(Question No. 2883)

**Mr Rudd** asked the Minister for Trade, in writing, on 8 December 2005:

Did Austrade ever seek legal advice on the implications of the Crimes (Bribery of Foreign Officials) Act 1999 in respect of employees of Austrade; if so, what date was it sought.

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

No.