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SITTING DAYS—2006

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- **GOSFORD**: 98.1 FM
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- **GOLD COAST**: 95.7 FM
- **MELBOURNE**: 1026 AM
- **ADELAIDE**: 972 AM
- **PERTH**: 585 AM
- **HOBART**: 747 AM
- **NORTHERN TASMANIA**: 92.5 FM
- **DARWIN**: 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—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>
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<td>Windsor, Antony Harold Curties</td>
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<td>Wood, Jason Peter</td>
<td>La Trobe, VIC</td>
<td>LP</td>
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**PARTY ABBREVIATIONS**
ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals; Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

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

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

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<td>The Hon. Bruce Frederick Billson</td>
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<td>The Hon. Dr Sharman Nancy Stone</td>
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<td>Senator the Hon. Richard Mansell</td>
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<td>The Hon. Christopher Maurice Pyne</td>
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<td>Parliamentary Secretary to the Minister for Defence</td>
<td>Senator the Hon. John Alexander</td>
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<td>Parliamentary Secretary (Trade)</td>
<td>Lindsay (Sandy) Macdonald</td>
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<td>Parliamentary Secretary to the Minister for the</td>
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<td>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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<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
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<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro MP</td>
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<td>Leader of the Opposition</td>
<td>The Hon. Kim Christian Beazley MP</td>
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<td>Jennifer Louise Macklin MP</td>
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<td>for Education, Training, Science and Research</td>
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<td>Senator Christopher Vaughan Evans</td>
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<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
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<td>and Shadow Minister for International Security</td>
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<td>Shadow Minister for Defence</td>
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<td>The Hon. Simon Findlay Crean MP</td>
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<td>Shadow Minister for Primary Industries, Resources,</td>
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<td>Shadow Minister for Water and Deputy Manager</td>
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<td>Shadow Minister for Housing, Shadow Minister</td>
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<tr>
<td>Shadow Minister for Child Care, Shadow Minister</td>
<td>Tanya Joan Plibersek MP</td>
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<tr>
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<tr>
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<td>Joel Andrew Fitzgibbon MP</td>
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<td>Senator Kate Alexandra Lundy</td>
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<tr>
<td>Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
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<tr>
<td>Shadow Minister for Veterans' Affairs and Shadow Special Minister of State</td>
<td>Alan Peter Griffin MP</td>
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<tr>
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<td>Anthony Stephen Burke MP</td>
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<tr>
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Thursday, 30 March 2006

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

AUSTRALIAN TRADE COMMISSION LEGISLATION AMENDMENT BILL 2006

First Reading

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

Second Reading

Mr VAILE (Lyne—Minister for Trade) (9.01 am)—I move:

That this bill be now read a second time.

This bill amends the Australian Trade Commission Act 1985 by making changes to the governance arrangements of Austrade which will establish an executive management structure with a CEO directly accountable to me, and bring the agency under coverage of the Financial Management and Accountability Act and the Public Service Act.

Austrade is responsible for the delivery of valuable assistance to Australian business efforts to export and develop international business. Austrade plays a key role in promoting opportunities to business arising from the government’s trade negotiations, including Australia’s free trade agreements, and administers the Export Market Development Grants scheme, which last year delivered over 3,200 grants valued at $124 million to small and medium exporters.

The changes introduced in this bill form part of the implementation of the government’s response to the review of corporate governance of statutory authorities and office holders that was conducted by Mr John Uhrig. The government is reviewing all statutory agencies in the context of the review recommendations, to ensure that we have the most effective accountability and governance structures across the whole of government.

The government has assessed Austrade’s existing governance structure against the recommendations and principles of the Uhrig review and identified that the executive management template is more suitable to Austrade’s role as the government’s trade facilitation agency.

The changes are of an operational and enabling nature. The amendments do not impact Austrade’s functions, nor Austrade’s delivery of export promotion and facilitation services to Australian business. Austrade will continue to be focused on assisting Australian businesses to enter and develop export markets.

On behalf of the government I would like to thank the current and previous Austrade boards. I am grateful for their time and expertise. The views and interests of Australian business will continue to inform the government’s trade promotion activities. I will be ensuring that appropriate mechanisms exist to ensure that the best possible assistance is provided to Australian business. I present the explanatory memorandum.

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

EXPORT MARKET DEVELOPMENT GRANTS LEGISLATION AMENDMENT BILL 2006

First Reading

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

Second Reading

Mr VAILE (Lyne—Minister for Trade) (9.05 am)—I move:

That this bill be now read a second time.

With the introduction of the Export Market Development Grants Legislation Amendment Bill 2006 the government is delivering on its
commitment to extend the EMDG scheme for another five years and provide a number of enhancements to the scheme.

The EMDG scheme, administered by Austrade, assists small and medium Australian businesses to enter into export and grow to export sustainability by partially reimbursing their eligible export promotion expenses.

It is a popular scheme that has been regularly reviewed and has been consistently shown to benefit Australia by supporting our exporters.

Last year the EMDG scheme delivered over 3,200 grants and paid out around $124 million to small and medium exporters. These businesses generated approximately $3.1 billion in exports.

Of the grants delivered last year, 77 per cent went to small businesses with annual incomes of $5 million or less. Twenty-three per cent of grants were paid to businesses in rural and regional Australia.

Demand for grants is even stronger this year, demonstrating the continued success of the scheme.

In accordance with the EMDG Act, in 2004 I asked Austrade to review the EMDG scheme and report on whether the scheme should be extended and, if so, options for the improved performance of the scheme.

Austrade conducted a comprehensive review of the scheme, considering 394 public submissions, feedback from 70 consultation meetings and the results of independent research conducted by the Centre for International Economics.

The review found that the EMDG scheme is an effective tool for encouraging businesses to seek out and develop export markets and that it enjoys very strong support from Australian businesses across a wide range of industries.

For example, the Eaglereach Wilderness Resort, an award-winning ecotourism resort located in the Hunter region of New South Wales, told the review that ‘the scheme encourages small companies such as ours to enter into the export market’.

And GAP Agrifood Exports, a successful exporter of meat, fruit, vegetables and fish to Asia and the Pacific Islands, said in its review submission that the EMDG program ‘is essential to the new exporter’.

This positive industry feedback was supported by the independent research, which showed that the EMDG scheme induces export promotion, boosts exports, improves the sustainability of small and medium sized businesses and has a positive impact on Australia’s export culture.

In response to the review’s findings, the government decided to extend the EMDG scheme for a further five years and introduce some changes to enhance the effectiveness of the scheme.

The Export Market Development Grants Legislation Amendment Bill 2006 implements these government decisions.

The bill provides certainty for Australia’s current and future exporters by extending the EMDG scheme until 2010-11, with grants in relation to export promotion expenditure incurred in 2010-11 to be paid in 2011-12.

In addition the bill contains a number of amendments to the scheme.

The proposed amendment to increase the claimable overseas visit allowance from $200 to $300 per day will be of particular benefit to new and emerging exporters. The amendment will increase the incentive for this group to take the crucial step of visiting overseas markets to meet new customers and learn how export business is done.

The amendments to the rules of the scheme in relation to the origin of eligible
products, disposal of intellectual property, principal status and export earnings will make the scheme more flexible and more relevant in terms of modern business practices and emerging export industries.

Removal of the export earnings test will also address anomalies that have resulted in some SMEs and emerging exporters being denied grants or having their grant entitlement reduced.

For example, removing the test addresses the anomaly that businesses spending on export promotion in one year but not receiving export earnings until the following year might be denied a grant, simply because there was a time lag between promoting their products and receiving export sales revenue.

The other amendments in the bill will assist in streamlining administration of the scheme and enhancing risk management.

The proposed changes are to take effect for EMDG applications from the 2006-07 grant year onwards—that is, to applications received and grants paid from 1 July 2007.

I am confident that the amendments contained in the EMDG Legislation Amendment Bill 2006 will be of considerable assistance to Australia’s small and emerging exporters and will be warmly welcomed by the business community.

In conclusion, I would like to thank the individuals, businesses and organisations that contributed to the review of the EMDG scheme. Their input has enabled the government to tailor a package of measures that will both deliver significant benefits to small and emerging exporters and further secure Australia’s exporting future. I present a copy of the explanatory memorandum.

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

PETROLEUM RETAIL LEGISLATION REPEAL BILL 2006

First Reading

Bill presented by Mr Ian Macfarlane, and read a first time.

Second Reading

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (9.11 am)—I move:

That this bill be now read a second time.

At a time when high fuel prices are impacting on all Australians, I am pleased to introduce the Petroleum Retail Legislation Repeal Bill 2006 (the bill). This bill is a central component of the government’s Downstream Petroleum Reform Package (the reform package). It will facilitate a more competitive retail fuel market with the potential for positive impacts on fuel prices at the pump.

The bill will repeal the legislation currently governing the retail petroleum industry; that is, the Petroleum Retail Marketing Sites Act 1980 (the sites act) and the Petroleum Retail Marketing Franchise Act 1980 (the franchise act). These acts have failed to keep pace with changes in the structure of the retail petroleum market and have created a subcompetitive retail environment, which imposes higher costs on Australian industry and motorists.

As part of the reform package the government will also introduce a mandatory industry code, the Trade Practices (Industry Codes—Oilcode) Regulations 2006 (the oilcode), under section 51AE of the Trade Practices Act 1974. The oilcode will institute a more effective regulatory regime to allow all industry participants to respond and adapt to changing conditions in the retail petroleum market without distorting or reducing levels of competition.

The sites act restricts, via set quotas, the number of retail sites that the oil majors—
that is, BP, Caltex, Mobil and Shell—can own or lease, and operate either directly or on a commission agency basis. Current quotas are based on the volume of fuel each company has the capacity to produce at their domestic refineries and vary from 87 to 136 retail sites. The total number of sites under the quotas represents about five per cent of all service stations nationally.

The sites act operates concurrently with the franchise act, as service stations run under a franchise agreement with an oil major are not subject to the sites act quotas. The franchise act sets out the minimum terms and conditions for these agreements, including tenure, renewals and associated disclosure requirements. No such legislated terms and conditions are afforded to small businesses operating under oil company, supermarket or independent retail chain commission agency agreements in this industry.

In 1980, the sites act and the franchise act were considered to be an appropriate response to limit the potential price-setting activities of the oil majors and to promote a viable small business sector in the retail petroleum industry.

The market has, however, changed substantially since 1980: independent retail chains and supermarkets, whose operating structures are not constrained by the legislation, have entered the retail fuel market; fuel quality standards have tightened in line with global environmental best practice; and global supply capacity has been stretched as demand from China and India continues to grow.

In this commercial environment it is not surprising that industry rationalisation has also occurred. And at this point I would like to note that any change in the environment regulating the retail petroleum industry will not eliminate the rationalisation of retail sites that has been experienced by this industry over the past two decades. This has been driven by increased competition due to the factors I have just mentioned. However, I expect that rationalisation will eventually plateau as retailers compete on an even playing field facilitated by the oilcode and the number of retail sites reaches an optimal level in response to the demands of the domestic market.

The existing retail petroleum legislation needs to be seen in the context of the entry into the market of the large independent retail chains and supermarket retailers, whose business structures are not constrained by the legislation. The legislation serves only to place an additional compliance burden on the major oil companies and to hinder the oil majors’ freedom of choice in the selection of appropriate business models at all retail sites. The legislation also retains the disparity between the conditions provided to franchisees, who generally run oil major owned service stations, and those provided to commission agents, who tend to run service stations on behalf of the independent retail chains.

It is for these reasons that the government is reforming the regulatory environment governing the retail petroleum industry. The reform package, and in particular the oilcode, will deliver positive outcomes for the retail petroleum sector and for Australian consumers, including a streamlined regulatory framework.

The package will recognise the power imbalance inherent in the substantial interdependency between some small businesses operating under the franchise and commission agency agreements and their wholesale fuel suppliers, whether those suppliers are oil majors or independent retail chains.

The oilcode regulations will achieve this outcome through three key policy initiatives. It will establish minimum industry standards for fuel re-selling agreements between
wholesale fuel suppliers and fuel retailers to provide a baseline for negotiations on those agreements. These minimum standards build upon and strengthen relevant provisions in both the franchise act and the more general franchising code of conduct and will provide greater certainty and protection for all parties to fuel re-selling agreements.

The oilcode will also introduce a nationally consistent approach to terminal gate pricing arrangements to improve transparency in wholesale pricing and allow access for all customers, including small businesses, to petroleum products at a published terminal gate price. This approach will not negate the ability of parties to negotiate individual supply agreements nor will it prevent the offering of discounts by wholesalers.

Finally, the oilcode will establish an independent downstream petroleum dispute resolution scheme to provide the industry with an ongoing, cost-effective dispute resolution mechanism as an alternative to taking action in the courts.

The oilcode represents a compromise on behalf of most industry participants, and I note that there are still a few interests, representing some of the independent operators, and some of the small businesses in the industry, who remain concerned that the oilcode does not prevent either below-cost selling or the provision of discounts to large volume customers in the wholesale market.

The government does not seek to hinder discounting or other initiatives, such as shopper docket, which have the potential to reduce the cost of fuel for Australians motorists. Indeed, the introduction of such measures would hinder the competitive nature of the market and be contrary to the government’s competition policy objectives.

Through the oilcode, the government will institute a more effective regulatory regime to allow all industry participants to respond and adapt to the changing conditions in the retail petroleum market without distorting or reducing levels of competition.

Consistent with this intent and to prevent market uncertainty and potential breaches of the sites act while this bill is under consideration of the parliament, I will shortly table an amendment to the Petroleum Retail Marketing Sites Regulations 1981. This amendment will suspend the oil majors’ reporting and compliance obligations under the sites act. It will not affect commercial arrangements under the franchise act in any way.

The bill I introduce into the House today is the first step in a long-awaited reform in the retail petroleum industry. Coupled with the subsequent introduction of the oilcode under the Trade Practices Act, it will allow businesses in this industry greater flexibility when selecting the business structure which is best for individual service stations. It will provide greater coverage of standard contractual terms and conditions for fuel re-selling agreements where there is a substantial degree of interdependency between the retailer and the wholesale fuel supplier.

The oilcode will provide greater transparency and consistency for all market participants and consumers in terminal gate pricing arrangements. It will provide all industry participants with access to a low-cost alternative dispute resolution service.

Above all, the oilcode will increase competition in the retail petroleum industry by removing the constraints the current legislation places on the oil majors and instituting a more effective regulatory framework for this industry.

The Downstream Petroleum Reform Package represents a significant improvement in the operating environment of the retail petroleum industry. I commend the bill to the House and I present the explanatory memorandum.
Debate (on motion by Mr Gavan O’Connor) adjourned.

SOCIAL SECURITY AND FAMILY ASSISTANCE LEGISLATION AMENDMENT (MISCELLANEOUS MEASURES) BILL 2006

First Reading

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

Second Reading

Mr BROUGH (Longman—Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs) (9.23 am)—I move:

That this bill be now read a second time.

This bill will make numerous minor amendments to social security, family assistance and related legislation to improve the operational effectiveness of that legislation. It is a minor housekeeping bill that will remove anomalies, clarify the legislation in line with established policy and make technical corrections and refinements.

The bill introduces no significant new policy and has no or negligible financial impact.

Among the measures in the bill is one to make sure that child-care benefit customers who use registered care for their children cannot be paid child-care benefit that exceeds the actual fee they paid for that care. This new rule is equivalent to an existing limit in the legislation on child-care benefit for care provided by an approved child-care service.

Child-care benefit should not be available while children are in the care of their teachers as part of their normal schooling.

The bill includes a measure to confirm that two members of a couple who are living apart on a temporary basis may generally be regarded as a ‘temporarily separated couple’, whether they are legally married or a de facto couple (noting that couples separated through illness or respite care are covered by different provisions). The temporarily separated categorisation allows the couple to attract a higher rate of certain payments such as rent assistance and remote area allowance.

At present, only legally married couples fall within the definition, whereas the general social security and family assistance law treatment of de facto couples suggests this is an anomaly that should be corrected.

Minor anomalies in the income test for the low-income health care card are addressed by this bill. Notably, a portion of the income test that applied before some 2001 concession card amendments and that was unintentionally omitted from the new provisions is being reinstated. The correction will ensure that a social security pension or benefit is included in income, as comparable Commonwealth and other payments of an income support nature are already included. Similarly, two veterans’ entitlements payments of a similar nature, the Defence Force income support allowance and the income support supplement, are clearly identified as income for the purposes of the card.

The bill corrects an inequity in the social security law, by aligning the definition of homelessness that currently applies for special benefit with the similar definition that applies for the larger customer groups of youth allowance and young disability support pension recipients. However, the existing additional requirements for special benefit homelessness, that the customer be un-
partnered and not have a dependent child, will continue to apply.

Seven acts relating to housing that are no longer operational are being repealed by this bill. This helps in maintaining the statute books when acts become redundant.

Most of the remaining measures in the bill are technical corrections and refinements. Many of these are consequential on the commencement of the Legislative Instruments Act 2003 and reflect the new concepts and arrangements established by that act.

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

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

AUSTRALIAN TECHNICAL COLLEGES (FLEXIBILITY IN ACHIEVING AUSTRALIA’S SKILLS NEEDS) AMENDMENT BILL 2006

First Reading

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

Second Reading

Mr HARDGRAVE (Moreton—Minister for Vocational and Technical Education and Minister Assisting the Prime Minister) (9.27 am)—I move:

That this bill be now read a second time.

This bill is a measure of the great successes which have been achieved to date in implementing the Australian technical colleges initiative. It is another example of how the Howard government’s election commitment has been so enthusiastically embraced by the community, by industry and by employers. In fact, they want more Australian technical colleges. And it is, of course, another example where those opposite got it so very wrong. Labor’s failing to understand the fundamentals and reasons for establishing Australian technical colleges and their confusing references to state and territory run TAFEs are just another example of their inexpertness. This bill clearly demonstrates how well the Australian technical colleges have been received by the communities in which they are to be established.

For instance, the member for Kingston, Kym Richardson, has shown unyielding support. His community and local industry in Adelaide South have secured a former state school building which was abandoned by the South Australian government and has stood vacant for seven years. This will now become a state-of-the-art Australian technical college providing a real choice for young Australians in the southern regions of Adelaide. In north Brisbane—and it is great that the member for Petrie is here to hear me say this—the Parliamentary Secretary to the Minister for Foreign Affairs, the Hon. Teresa Gambaro, has strongly supported her local community and local industry in the establishment of an Australian technical college, which has also received enormous support from the Redcliffe City Council and Commerce Queensland. This is another abandoned school campus which will come back to life under this initiative.

The New South Wales state government has an ideological opposition to school based new apprenticeships or part-time apprenticeships; and their centralising of education and training, rather than listening to local communities, has meant the blocking of the establishment of Australian technical colleges in locations in that state such as Lismore-Ballina, Queanbeyan and Dubbo. The New South Wales government needs to stand out
of the way of this initiative so that the local communities and employers in those regions can also share in the establishment of Australian technical colleges.

I am happy to report to the House that, already, four colleges are in operation, with another to commence later this year—the one in northern Tasmania—and at least 20 are expected to be in operation in 2007. Each of the colleges is strongly backed by local industry. Industry and business people are taking a leading role in the management of the colleges and have shown great support for the Australian technical colleges initiative.

This bill brings forward funds from later years to support the establishment of the colleges in 2006 and 2007. This movement of funds does not reflect an increase in costs for the program. The total funding appropriated under the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Act 2005 will remain unchanged, with $343.6 million being available over the period to 2009 to support the establishment and operation of 25 colleges.

Twenty or more colleges will be in operation in 2007, and many of these will have established new schools. Funding is needed for the establishment phase for these colleges earlier, so more expenditure will be required in 2006 and 2007 than originally planned. Of course, that means that less will be required in later years. This bill also provides for flexibility in the management of the appropriation by introducing a regulation-making power which will allow funding appropriated for a particular calendar year to be carried over to a future year or brought forward to an earlier year.

The Australian technical colleges initiative is an innovative program that offers significant flexibility to allow each college to operate in a manner that best meets the needs of industry and students in the region in which it is established. Having the flexibility to expend funds as they are required is important for the continued success of the program.

Passage of this bill will ensure the steady progression of the Australian technical colleges initiative which will allow up to 7,500 young Australians per year to undertake high-quality education and vocational training. It will be relevant to the nation-building trade career they choose. The Australian government is committed to raising the profile of vocational and technical education. Attracting young people to the trades is vital for Australia’s future and is an important step in addressing the skills needs across a number of industry sectors. The Australian technical colleges initiative offers a new approach to achieving this, and forms an important part of the Australian government’s strategy for tackling skill shortages into the future. The Australian technical colleges will promote trade qualifications as being as highly valued as a university degree. They will also develop a reputation which will show students and parents that vocational and technical education provides access to careers which are secure, lucrative and rewarding. I commend this bill to the House and present the explanatory memorandum.

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

AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION AMENDMENT BILL 2006

First Reading

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

Second Reading

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and
Minister Assisting the Prime Minister for Women’s Issues) (9.33 am)—I move:

That this bill be now read a second time.

The purpose of this bill is to amend the Australian Nuclear Science and Technology Organisation Act 1987 to allow Australia’s pre-eminent nuclear science and research agency, the Australian Nuclear Science and Technology Organisation, or ANSTO, to have a fully effective and practical role in managing radioactive materials in Australia.

The existing functions of ANSTO in relation to radioactive waste management set out in section 5 of the Australian Nuclear Science and Technology Organisation Act 1987 give ANSTO the authority to condition—that is, prepare—manage or store only radioactive materials associated with the organisation’s activities, unless specified by regulation.

As it currently stands, the act unnecessarily restricts ANSTO in making its expertise and facilities available to assist other Commonwealth agencies who hold and produce radioactive waste. With the establishment of the Commonwealth radioactive waste management facility in the Northern Territory, it will be important for ANSTO’s capabilities to be available for conditioning and repackaging waste from other Commonwealth agencies prior to transport to the facility. ANSTO may also be charged with the management and operation of the facility; in that case, it will obviously be necessary for it to have the authority to manage radioactive waste from other Commonwealth agencies.

In its current form, the ANSTO Act also prevents ANSTO from applying its expertise and facilities to assist in the aftermath of a terrorism incident involving radioactive material. After such an incident, it might be necessary for ANSTO to store radioactive material from a radiation dispersal device, or radioactive samples collected for evidentiary purposes by state or federal law enforcement agencies. Such a need was not contemplated when the organisation was established or when the ANSTO Act was amended in 1992, restricting ANSTO’s capacity to manage radioactive materials not produced by the organisation.

It is sensible and desirable that, as the agency most experienced in dealing with radioactive materials, ANSTO can participate fully as part of Australia’s counter-terrorism response to assist state and federal law enforcement and emergency response organisations. The amendments will also bring Australia into line with standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism. The changes will assist in Australia’s consideration of its position in relation to ratification of the convention.

The amendments will also permit ANSTO to assist in managing radioactive materials that come into the possession of law enforcement agencies. These include any undeclared radioactive materials intercepted by the Australian Customs Service.

Some of these amendments are precautionary in nature. The Australian government, as well as state and territory jurisdictions, have strong measures in place to deal with potential terrorist or criminal uses of radiological materials, and strong and effective regulatory regimes to ensure the highest standards of public health and safety when dealing with radiological materials. However, this does not remove the Commonwealth’s obligation to the Australian people to be prepared in the event of an unforeseen incident. ANSTO, with the best facilities and qualified staff in Australia for managing radiological material, should have the legal power to assist quickly and effectively if its facilities or expertise are required in such an incident.
Given that radioactive wastes are produced and/or stored at around 30 Commonwealth sites apart from Lucas Heights, it is impracticable and unnecessary to move a regulation for each shipment of radioactive waste proceeding to Lucas Heights for conditioning and repackaging. It also makes little sense to address restrictions in the act by duplicating the extensive facilities already available at Lucas Heights at the Commonwealth radioactive waste management facility in the Northern Territory.

The proposed amendments provide ANSTO with the authority also to condition, manage and store radioactive waste produced by other Commonwealth agencies and to fully participate in the establishment and operation of the Commonwealth radioactive waste management facility in the Northern Territory.

But providing the authority to ANSTO to manage and store waste produced by other Commonwealth agencies does not mean that Lucas Heights will become the Commonwealth’s radioactive waste store. In fact, the Commonwealth has absolutely no intention of establishing the ANSTO Lucas Heights premises as the main radioactive waste storage or disposal facility for the Commonwealth. The Commonwealth’s resolve to establish the Commonwealth radioactive waste management facility in the Northern Territory for this purpose was made abundantly clear by the enactment of the Commonwealth Radioactive Waste Management Act in 2005.

Amendment of the ANSTO Act in 1992 to restrict ANSTO’s powers to hold radioactive waste and radioactive materials addressed concerns that Lucas Heights might become the site of a national nuclear waste repository. Of course, at that time these concerns had some substance in view of the then Labor government’s illegal storage of 10,000 drums of low level radioactive waste at the site. There are no longer any grounds for such concern. This is because the government has clearly stated its position in the July 2004 announcement by the Prime Minister and backed it up with legislation in 2005.

I confirm that the Commonwealth will establish a new facility for the responsible management of all Commonwealth radioactive wastes. State and territory governments are expected to establish facilities to manage their own radioactive waste, consistent with Australia’s international obligations. In accordance with the Commonwealth Radioac-
tive Waste Management Act 2005, the Commonwealth government is proceeding to establish its own radioactive waste management facility in the Northern Territory. The radioactive waste currently stored at ANSTO, including the legacy waste stored at ANSTO since the 1960s, will be transferred to the Commonwealth radioactive waste facility in the Northern Territory once it is operational.

The measures in this bill will ensure that the Commonwealth has access to ANSTO expertise and facilities required for efficient and responsible management of the wastes that may arise from use of radioactive materials in medicine, industry, research and unforeseen incidents. Passage of the bill is essential if Australians are to continue to realise the benefits of the use of a wide range of radioactive materials in our daily lives.

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

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

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

AUSTRALIAN RESEARCH COUNCIL AMENDMENT BILL 2006

First Reading

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

Second Reading

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (9.42 am)—I move:

That this bill be now read a second time.

The Australian Research Council Amendment Bill 2006 amends the Australian Research Council Act to implement changes to the governance arrangements of the Australian Research Council (ARC). These changes form part of the government’s response to the recommendations of the Review of the Corporate Governance of Statutory Authorities and Office Holders conducted by Mr John Uhrig.

The assessment of the ARC against the recommendations of the Uhrig review found that the functions of the ARC are best suited to the executive management template. The bill will enhance the ARC’s governance arrangements to make it fully consistent with this template. This includes retiring the ARC board and transferring the majority of the board’s functions and responsibilities to the chief executive officer of the ARC.

The retirement of the ARC board will remove the potential for confusion between the responsibilities of the ARC board and those of the CEO. It will allow the ARC to act quickly in identifying and funding high quality research. It will ensure that the chief executive has both full power to act and full responsibility for the activities and operations of the ARC.

The ARC will remain a prescribed agency under the Financial Management and Accountability Act 1997. In keeping with the government’s knowledge and innovation policy announcement of 2001, the ARC will remain a statutory agency separate from my department.

The ARC will retain the peer review arrangements of its college of experts. The 75 members of the college of experts, and the thousands of Australian and international readers who commit their time to peer review, perform a vital function. Their contribution to the national innovation system will continue.

These enhancements to the ARC’s governance arrangements will be complemented by other changes. I will issue a statement of
expectations to the ARC’s chief executive officer to outline the government’s current objectives relevant to the authority, as well as any broad expectations that I have for the ARC. This will include the time frame for announcing the outcomes of the grant processes for the ARC’s two major programs (Discovery and Linkage). The ARC CEO will reply with a statement of intent outlining how the ARC proposes to meet my expectations.

The ARC’s statement of intent will not replace its strategic planning processes, which will continue to cover a rolling triennium. Rather, the statement of intent will allow the ARC to give me an indication of how it proposes to respond to my specific concerns. These documents will be made public.

The CEO will receive input on research matters directly from an advisory committee which I will create under the new provisions of the act. The committee will have a broad membership and will focus on providing strategic advice about the ARC’s operations. The committee will not look at individual grant applications.

This will be the responsibility of the college of experts, which will make recommendations directly to the ARC CEO, who will in turn provide me with advice. This will expedite the ARC’s funding processes, provide greater certainty to researchers about the future of their ARC funding and allow the ARC to respond quickly and flexibly to emerging priorities.

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

Debate (on motion by Mr Gavan O’Connor) adjourned.
Firstly, the bill introduces a change of name for the authority to Defence Housing Australia. This change better reflects the DHA’s commerciality, and establishes a brand name that is readily recognised with the activities of the DHA throughout Australia. An appropriate brand name is important to the ongoing commercial success of the DHA.

Secondly, the bill reorients the structure of the board by reducing its size and creating an advisory committee. These changes reflect a more commercial arrangement which also takes into account the better practice guidance on board size contained in the Uhrig review. The DHA board will now have a more commercial focus and greater freedom to operate commercially. Given the importance of housing to Defence’s operational effectiveness, Defence representation on the board will be retained, although reduced from five to two. The Secretary of Defence and the Chief of the Defence Force will each nominate a representative to serve on the board. These nominees will be approved by the Minister for Defence. A nominee of the Secretary of the Department of Finance and Administration, who is approved by the Minister for Finance and Administration, will be added to the board to enhance its commercial focus.

In line with the recommendations of the Uhrig review, representatives from each of Navy, Army, Air Force and Defence Families Australia will be appointed to the advisory committee. This committee will now be the primary vehicle for the representations of Defence and Defence families to the DHA board. The committee will assist and support the board in its primary role as the provider of housing to meet the operational requirements of Defence.

Thirdly, the bill also makes provision for the DHA, subject to ministerial approval, to expand its operations to provide housing and housing related services to other Commonwealth agencies. This amendment in particular will promote the efficient use of the DHA’s housing stock and maximise the benefit to the Commonwealth from the DHA’s expertise in the provision of housing and housing related services. The DHA will have greater scope in its operations, which will assist the DHA to achieve its outcomes as a government business enterprise.

For these additional services to other agencies, a volume limit has been set which is a percentage of the DHA’s total revenue. Initially, revenue from expanded services cannot equate to more than 25 per cent of the DHA’s total revenue. A review of the revenue limit will occur in three years to evaluate the suitability or otherwise of this limit. The requirement for ministerial approval and the volume limit are designed to safeguard the interests of Defence.

Fourthly, the bill also allows the DHA, subject to ministerial approval, to provide services that are ancillary to the housing and housing related services it provides. Ancillary services could include, but would not be limited to, services associated with the care and control of residential premises and services to facilitate the access to community support or community services. The minister will be required to approve the ancillary services that DHA can provide to ensure they are appropriate and in the best interests of Defence and the Commonwealth.

The fifth key amendment will make the DHA liable for Commonwealth taxation, from which it was previously exempt. The DHA will remain exempt from state and territory taxation but will be required to make tax equivalent payments in respect of state and territory taxation to the Commonwealth.

Finally, there are a number of amendments proposed in this bill that will improve the
harmonisation of the DHA Act with the Commonwealth Authorities and Companies Act 1997, under which DHA also operates. These amendments are necessary to remove outdated provisions from the DHA Act. The government’s expectations of the DHA will have greater clarity as a result of these amendments. The commercial focus of the DHA’s legislative framework will be strengthened and the DHA’s governance arrangements will now be more closely aligned with those of other government business enterprises.

All of the amendments proposed in this bill herald the beginning of an exciting new phase for the Defence Housing Authority. I commend the bill to the House and present the explanatory memorandum.

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

INTELLECTUAL PROPERTY LAWS AMENDMENT BILL 2006

First Reading

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

Second Reading

Mr BALDWIN (Paterson— Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.54 am)—I move:

That this bill be now read a second time.

This bill is an omnibus bill that amends several pieces of intellectual property legislation.

The bill amends the Patents Act 1990 to implement part of the government’s response to two reports into the intellectual property system, and to broaden the patent ‘spring-boarding’ scheme for generic pharmaceuticals.

The bill also amends the Trade Marks Act 1995 to provide the Registrar of Trade Marks with the power to revoke trade marks which have been registered as a result of administrative errors or oversights. It will also simplify the process for making documents relating to trade marks more readily available to the public.

The bill also makes a number of other minor amendments to the patents and trade marks acts, and to the Designs Act 2003, the Plant Breeder’s Rights Act 1994 and the Olympic Insignia Protection Act 1987.

The bill implements several recommendations of a report by the Intellectual Property and Competition Review Committee, entitled ‘Review of the intellectual property legislation under the competition principles agreement’, which is commonly known as the ‘Ergas report’. The bill also implements a further recommendation of a report by the Advisory Council on Intellectual Property, commonly known as ACIP, entitled ‘Review of enforcement of industrial property rights’.

The Ergas report focused on achieving an appropriate balance between intellectual property policy and competition policy. The ACIP report addressed issues concerning the enforcement of patent rights. By implementing these recommendations, the government will increase the strength of granted patents, and will ensure that third parties are not adversely affected by the grant of patent rights.

Some of the recommendations of these reports have already been implemented by the government, in the Patents Amendment Act 2001 and the Intellectual Property Laws Amendment Act 2003. Several of the outstanding recommendations of these reports are implemented in this bill.

The bill implements one recommendation of the Ergas report by amending the ‘prior use’ defence to patent infringement, which protects a person who was exploiting a product, method or process covered by a patent before the patent was filed. This provision
balances the rights of the prior user and the person who is subsequently granted the patent. This amendment clarifies the operation of this defence to infringement, and overcomes some deficiencies in the drafting of the current provision.

The bill implements another recommendation of the Ergas report by amending the Patents Act to add a new ground on which a compulsory licence to use a patent may be granted. Under the existing provisions of the Patents Act, a compulsory licence to use a patent may be granted if the patent owner is not meeting the reasonable requirements of the public in respect of the patented invention. This amendment to the Patents Act will retain this existing test for the grant of a compulsory licence, and will add an additional provision, making the compulsory licensing of patents subject to a competition test.

The bill implements a recommendation of the ACIP report by amending the Patents Act to specifically prescribe that a court can award exemplary damages in patent infringement actions, for example, in the case of flagrant or wilful infringement of a patent. This will be in addition to the currently prescribed remedies of an account of profits or damages to recover losses caused by infringement.

This is intended to serve as a deterrent against flagrant and wilful infringement of patents, which will in turn strengthen patent rights. This will also bring the Patents Act into line with the Designs Act and the Copyright Act 1968, under which exemplary damages may also be awarded.

The bill also implements a wider ‘springboarding’ scheme for generic pharmaceuticals than is currently provided under the Patents Act. Springboarding is a colloquial term that refers to using the subject matter of a patent to collect the data required to obtain regulatory approval of a generic version of the patented drug, when the patent is still in force. This allows generic pharmaceutical manufacturers to establish that their generic pharmaceutical product is bioequivalent to the original product before the patent expires and have it ready for the market upon patent expiry.

Previously, the Patents Act contained a limited provision that only allowed springboarding on pharmaceutical patents that had received an extension of the patent term. Consequently, Australia’s springboarding provisions have been more limited than those in competitor countries. Without this amendment, generic pharmaceutical companies would be pushed into undertaking research and development work offshore and then bringing their product into Australia upon patent expiry. This amendment corrects this investment disincentive without impacting on the current market environment.

The new provision allows springboarding as an exception to patent infringement on any pharmaceutical patent at any time, for purposes solely in connection with gaining regulatory approval of a pharmaceutical product in Australia or another territory, to the extent allowed by Australia’s international obligations.

Under the amended provisions, generic pharmaceutical companies would not be able to manufacture quantities of the product for export, set up to manufacture quantities prior to patent expiry or stockpile quantities for later sale while the patent is still in force, as these activities would be inconsistent with Australia’s international obligations in relation to the World Trade Organisation’s Agreement on Trade-Related Aspects of Intellectual Property Rights, which is commonly known as the TRIPS agreement.

The objective of this change to the springboarding provisions is to encourage generic
pharmaceutical development in Australia, consistent with the national medicines policy objective of maintaining a responsible and viable medicines industry.

The bill also amends the Trade Marks Act to allow the Registrar of Trade Marks to revoke the registration of trademarks in circumstances in which the trademark should not have been registered in the first place. This provision would be used, for example, when a trademark is registered as a result of an error or oversight on the part of the Trade Marks Office while assessing an application for registration of a trademark. While such errors are rare, they do occur from time to time. They have the potential to cause confusion in the marketplace, and to give the owner of the trademark that was registered in error some benefits to which they are not legitimately entitled under the Trade Marks Act. This situation does not serve the interests of owners of other registered trademarks who are affected by incorrectly registered trademarks, nor of the public generally.

The amendments will provide a quick and simple way for the Trade Marks Office to have administrative errors and oversights of this nature rectified, which will be more efficient than having to seek redress in the courts. The provisions balance the rights of the owner of the registered trademark by limiting the time and circumstances in which the registrar is able to revoke the mark. They will achieve this by specifying factors the Registrar of Trade Marks will have to take into account when deciding whether to revoke a registration, and by allowing the decision of the Registrar of Trade Marks to be appealed to the Federal Court.

The bill also amends the Trade Marks Act to make the majority of documents held by the Trade Marks Office that relate to applications for registration of trademarks publicly available and easily accessible. Members of the public frequently find it necessary to access such documents for a variety of reasons. The most common reason is in the case of a party that is considering opposing the registration of a particular trademark. There is a strong public interest in keeping invalid trademarks off the register of trademarks, so there is a public interest in ensuring that oppositions of this nature proceed quickly and efficiently. The amendment will also have the effect of increasing the transparency of the functions of the Trade Marks Office.

This amendment will provide a quick and efficient system of accessing relevant documents on trademark files, which will increase the efficiency of the administration of the trademarks system.

Businesses frequently have to file commercially sensitive information when seeking registration of trademarks. The amendments will also enable the Trade Marks Office to accept information of this nature in confidence, to ensure that the new system for access of trademarks documents will protect the interest of persons supplying sensitive information to the Trade Marks Office.

This bill also makes a number of other minor and technical amendments to the Patents Act, the Trade Marks Act, the Designs Act, the Plant Breeder’s Rights Act and the Olympic Insignia Protection Act, including clarifying the effect of the patent, trademarks, designs and plant breeder’s rights offices not being open for business—for example, due to an emergency situation such as a bushfire. The amendments will allow a prescribed person to declare that the offices are not open for business in such circumstances. These amendments ensure that parties doing business with these offices are not adversely affected by closures of these offices. The bill also makes some technical amendments to the Plant Breeder’s Rights Act to increase the efficiency of the admini-
stration of the plant breeder’s rights system, and to facilitate integration of the administration of the Plant Breeder’s Rights Act within IP Australia.

The amendments in this bill will result in stronger registered intellectual property rights and improve the administration of the intellectual property system. The bill reflects the government’s commitment to encouraging innovation and providing Australia with a strong intellectual property system that meets the needs of Australians. I commend the bill to the House and present an explanatory memorandum.

Debate (on motion by Mr Griffin) adjourned.

SNOWY HYDRO CORPORATISATION

Mr PEARCE (Aston—Parliamentary Secretary to the Treasurer) (10.05 am)—I move:

That, for the purposes of section 7(3) of the Snowy Hydro Corporatisation Act 1997, the House approve the transfer or disposal of the Commonwealth shares in the Snowy Hydro Company (incorporated under the name Snowy Hydro Limited) that will occur as a result of the Commonwealth participating in the Initial Public Offer process announced by the New South Wales Government on 16 December 2005.

As members will be aware, Snowy Hydro Ltd is the company that owns and operates the Snowy Mountains Scheme. New South Wales is the majority shareholder, with a 58 per cent stake. Victoria has a 29 per cent shareholding and the Commonwealth owns 13 per cent. On 16 December 2005, the New South Wales Premier announced that the New South Wales government would sell its majority stake in Snowy Hydro and that the public would be given the chance to invest in the Snowy Mountains Scheme through an initial public offer on the Australian stock exchange.

Following the New South Wales decision, Senator Nick Minchin and Minister Ian Macfarlane announced that the Australian government would also sell its minority stake. The Victorian government has since announced that it too would sell its share in the company. I can assure you that the Australian government decided to sell its shareholding in Snowy Hydro only after the most careful consideration. Under this government, electricity generation capacity has increased by 10 per cent, and all the eastern states are now interconnected. In addition, average retail electricity prices fell by 14.6 per cent in real terms between 1994-95 and 2003-04. Energy reforms, including the sale of government owned electricity companies, have contributed to maintaining and improving the competitiveness of Australian industry as a whole. Independent analysis has found that the reforms have contributed some $1.5 billion per annum to the Australian economy.

Electricity prices in Australia continue to be the second lowest in the developed world. The floating of Snowy Hydro will give the company the opportunity to raise capital and grow its business unconstrained by government ownership. Some of the company’s plant and equipment is up to 40 years old. Snowy Hydro, to continue to provide a highly reliable source of water and electricity in the decades ahead, needs to be able to pay for an active and innovative maintenance and upgrade program for the Snowy scheme’s plant and equipment. Importantly, the sale of the company will not change the strict and rigorous rules that secure the water of the Snowy catchment from downstream use by irrigators and for the environment.

The proposed privatisation of Snowy Hydro will not affect water releases or water rights of downstream users in New South Wales, Victoria or South Australia. At the time of corporatisation of Snowy Hydro in
2002, a number of agreements were implemented which regulate the secure water flows. These agreements are legally binding and comprehensive and were developed after extensive consultation with all stakeholder governments, state water authorities and the Murray-Darling Basin Commission, otherwise known as the MDBC. This regulatory framework was entered into by governments as a part of the corporatisation of the Snowy Mountains Scheme in 2002 on the basis that it would continue to apply irrespective of the ownership of the scheme or the shareholding of Snowy Hydro Ltd.

While Snowy Hydro owns the physical assets such as power stations and dams that comprise the Snowy scheme, it does not own the water it collects and releases from the scheme. The Snowy water licence, administered by the New South Wales government in accordance with its contractual obligations with other governments, gives the company the right to collect, divert, store and release water. In return for those rights, the Snowy water licence imposes on Snowy Hydro the obligation to release specified volumes of water into each of the Murray and Murrumbidgee rivers every year for the next 72 years. The licence also requires Snowy Hydro to make the environmental releases for the Snowy, Murray and other rivers agreed by the Australian, New South Wales and Victorian governments in the Snowy Water Inquiry Outcomes Implementation Deed for the corporatisation of the scheme in 2002.

The Australian government has explicitly acknowledged the importance to irrigators of clarity with respect to arrangements for the timing of water releases made from the Snowy scheme into the Murray-Darling Basin Commission storages and for appropriate consultation mechanisms for irrigators and the Murray-Darling Basin Commission. Snowy Hydro and the MDBC are currently in discussions regarding such release and timing issues. These issues are being pursued by the Australian government with the other shareholder governments and Snowy Hydro, having regard to the needs of irrigators and the scheme as a peak electricity generator.

To conclude, selling Snowy Hydro through this initial public offer will allow the company to reach its full potential as a responsible provider of clean energy and water flows for irrigators and the environment. I commend the motion to the House.

Mr TANNER (Melbourne) (10.10 am)—The opposition supports the motion but will be moving an amendment, which I will make some references to in due course, that deals with some of the specific issues that are emerging from the proposed sale of the Commonwealth holding in Snowy Hydro. The motion before the House today relates to providing approval for the Commonwealth to proceed with its sale of its 13 per cent holding in Snowy Hydro, following the decisions by the New South Wales and Victorian governments to sell their respective holdings—58 per cent in the case of New South Wales, and 29 per cent in the case of Victoria.

The proposal raises a number of issues that need to be considered in the context of the decision to divest the Commonwealth’s 13 per cent holding. In particular, the issues that are important are, first, the need for some degree of recapitalisation of Snowy Hydro. It is now a very well-worn, long-life infrastructure asset that does require significant upgrading and reinvestment. Clearly there are constraints on the three governments that currently own Snowy Hydro submitting new capital for that purpose. Second, there are major concerns with respect to the future for environmental flows—it is an issue I want to spend some more time dealing with shortly—especially to the Snowy River itself. Third, there are the concerns of irrigators with respect to the volume of water
that is being diverted into the Murrumbidgee and Murray systems, courtesy of the redirection of the Snowy which is integral to the whole scheme’s concept. Finally, of course, there is the future role of Snowy Hydro with respect to electricity generation.

As I indicated, Labor does support the motion before the House, but I will be moving the amendment standing in my name that deals with a number of points—some of the key issues associated with the prospects for the scheme post privatisation—that we seek further reassurance on. There are a number of key issues that have been top of mind for Labor in making its decision to support this motion because, I think it is fair to say, we do so with significant reservations. The fact that the Commonwealth’s holding is only 13 per cent and that the Victorian and New South Wales governments have made the decision to divest themselves of their holdings means in practice that, were the Commonwealth to retain its holding in Snowy Hydro, its ability to exert any influence over the decisions of the future privately owned Snowy Hydro would be negligible. Clearly, public ownership or partial public ownership requires some capacity to exert that ownership for broader public good, and it is difficult to see how the retention of 13 per cent of a major organisation like Snowy Hydro is going to give the Commonwealth much capacity at all to influence its decisions in any particular direction. So the level of the holding is a particularly important consideration in Labor’s view.

Second, it is important to note that there are a range of long-term, binding legal agreements with respect to Snowy Hydro’s use of water resources. These go for many decades in some cases and they will be unaffected by the change of ownership. We can of course speculate on what may occur in the future with respect to these agreements. There may be consensual changes that are derived from changing policies of governments and a privately owned Snowy Hydro. All sorts of things are possible, but equally such things could occur with Snowy Hydro remaining in public ownership. The true picture is that nobody knows what future governments and future companies will do in 20, 30 or 40 years time. We can only guess as to potential outcomes from such decisions in the future. But, as things stand, we have binding legal agreements and I certainly believe that they should be adhered to.

Third, it is also worth noting that Snowy Hydro does not own the water that it is making use of. It has licence arrangements with the New South Wales and Victorian governments that ensure that it has the right to use the water—as indeed many other private organisations have—and it does not exert property rights with respect to that water.

The amendment, which is about to be circulated in my name, requires that the government report to parliament in five years time on a range of key issues arising from the sale of the Commonwealth’s holding, including the impact on employment in the local area; the extent to which infrastructure of Snowy Hydro has been upgraded, as has been promised; the outcomes of environmental flows; and the water flows for irrigators. The amendment seeks to ensure that the commitments that have been made by the various governments with respect to the future on these central issues will be reported on to parliament in five years time.

I come from the one small part of Australia that does not regard the Snowy Mountains scheme as an Australian icon. The impact of the scheme on East Gippsland, where I come from, was to very substantially reduce the flow of the Snowy River to the significant detriment of both the environment and local farmers. The reduction in flow of course is particularly dramatic in the upper reaches of
the river around the New South Wales-Victorian border in areas like Dalgety, but it has still been very substantial in the lower reaches of the Snowy River down to Orbost—where I grew up—and has typically removed close to half of the river’s flow even at that level, in spite of the fact that numerous tributaries flow into the river between the Snowy scheme and its entrance to the sea at Marlo.

Some years ago I was contacted by a former Labor member of the Victorian parliament after I had spoken in the House on the issue of the Snowy River and its future and had particularly raised the issue of increasing environmental flows—a cause which famously was taken up by the Independent member for Gippsland East, Craig Ingram, and was ultimately pursued by the Bracks government, to their great credit. This former member of the Victorian parliament told me that he had been a member of the Victorian parliamentary committee that had inquired into the Snowy scheme in, I think, the late forties or early fifties and that the only issue that they had considered when examining the prospective impact of the scheme on East Gippsland was the provision of drinking water for its very small population of about 5,000 people at that time. So, other than establishing that there was sufficient drinking water available from the Snowy, with its flows severely truncated, no consideration was given to any environmental impact and no consideration was even given to the impact on local farming communities.

It is good to see that the Bracks government, in agreement with the New South Wales government, is taking major steps to return environmental flows to the Snowy. Certainly, if I felt there was any serious risk of the privatisation of Snowy Hydro upsetting that arrangement then I would not be supporting this motion before the House today. I believe that the privatisation of Snowy Hydro will not alter significantly the risks in the future associated with the potential reduction of this agreement. I think those risks do exist, however ownership occurs, and they ultimately depend on decisions of future governments. The privatisation of Snowy Hydro will not materially alter those risks.

Some, understandably, see public ownership as a guarantee of protecting environmental flows into the future. I think that view is misconceived. On balance, it is slightly more likely that, if public ownership were to remain, the environment and the interests of environmental flows might be protected, but ultimately I think the difference is marginal. The issues at stake will be pretty much the same, irrespective of the ownership of Snowy Hydro. Ultimately, they will be decided by governments in response to public pressures.

It is important to note that there was not much protection of the environment when Snowy Hydro was under public ownership in the 1950s and 1960s. It is also important to note that one group that has been particularly vocal in opposing the privatisation of Snowy Hydro is of course the irrigators who rely on the water for their farming activities. In a sense, there are people on both sides of the debate who have claims with respect to the water. They are effectively conflicting claims: both sides fear that they will suffer in the future as a result of the sale of Snowy Hydro. In my view, the sale will almost certainly make no material difference to the future outcomes with respect to those competing claims. I may be proved wrong, but that is the assessment that I hold.

Finally, I briefly mention the question of privatisation more generally. One of the sad features of public debate in this country over the past 15 years or so is that debates about privatisation have tended to be arguments between one group of people who want to
sell everything and another group of people who want to sell nothing. Therefore, they become arguments about dogma, removed from the merits of the case dealing with the particular organisation or entity that is involved. I think it is important when dealing with any proposal for privatisation to focus on the merits of the issue. What is the productive activity involved? What does the organisation do? Who wins, who loses? What is the purpose of public ownership and could that equity, that asset, be better deployed in other areas? For example, I did not oppose the Victorian government’s sale of the State Insurance Office 15 or 16 years ago because I felt that, although the state government had had a role in owning a major insurance company in earlier times, the nature of the insurance market had changed to a point where that was no longer necessary. There was no longer any particularly substantial social purpose in having a publicly owned general insurance company.

These issues need to be dealt with on their merits. We need to look at the issues that are involved in particular cases to determine whether or not retaining or indeed initiating public ownership, be it full or partial, is appropriate. In my judgment, the key issue for the Commonwealth in this instance is whether there is any merit in retaining 13 per cent of a major organisation, Snowy Hydro. In my assessment, that fact alone makes it relatively pointless to oppose the sale of the holding, because 13 per cent is simply not enough to allow the Commonwealth to influence the decisions of the organisation in any material way, and I think it is a very unlikely scenario that any government would commit to buying the current shares that are going to be put on sale by the New South Wales and Victorian governments.

It is also worth noting in passing that the Bracks government has undertaken to invest the proceeds of the sale of Snowy Hydro into upgrading the infrastructure of Victorian public schools. I applaud the Bracks government for so doing and I call on the Howard government to indicate how it intends to invest the proceeds of the sale of its 13 per cent holdings. Ultimately, the crucial question that we face on these issues is: what is the alternative use of the capital going to be? If the government is proposing to sell a particular asset then the key question is always going to be: what are the proceeds going to be invested in? In my view, it is an entirely appropriate thing for the Victorian government to increase its capital investment in education off the back of the sale of its interest in Snowy Hydro. I think that is a very positive thing. It reflects a shift in the relative priorities of government over the last 30 or 40 years where learning, education and the development of skills has become a much more important responsibility of governments than it was in previous times. The decision of the Bracks government reflects that change in priorities.

I believe that it is important that the government, in taking this decision, is not running away from a commitment to invest in infrastructure. It is not simply winding back a particular infrastructure investment, but it should be telling the parliament where the proceeds are going to be invested. In particular, it should be linking that to broader strategies to improve investment in infrastructure in Australia, be that economic infrastructure or broader infrastructure such as schools and hospitals. That is the question that has not yet been answered by the government. I would appreciate hearing their views on that. I move:

“That the following words be added to the motion:

“(2) To ensure that Government claims about privatisation are met, the House, noting the Government’s claims that:
(a) local employment will increase through the use of local specialist contractors;

(b) the privatisation will lead to an innovative maintenance and upgrade program for the Snowy Scheme’s equipment and infrastructure and give the company the opportunity to grow its energy business and raise capital in the future;

(c) the privatisation will not affect water releases or water rights of downstream users in NSW, Victoria, or South Australia;

(d) Snowy Hydro meets its obligation to release specified volumes of water into each of the Murray and the Murrumbidgee Rivers every year for the next 72 years; and

(e) Snowy Hydro meets the environmental flows for the Snowy, Murray and other rivers agreed by the Australian, NSW and Victorian Governments in the Snowy Water Inquiry Outcomes Implementation Deed for the corporatisation of the Scheme in 2002;

requires that the performance and outcome of the share transfer and disposal are reported against the above claims to the House at the expiration of 5 years after the passage of this resolution”.

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

Mr Martin Ferguson—I formally second the amendment and reserve my right to speak.

Mr NAIRN (Eden-Monaro—Special Minister of State) (10.26 am)—As a federal member of this House who represents a large part of the Snowy Mountains Scheme area, it is certainly important that I speak to this motion here today. This has really come about in the timing that it has because of the New South Wales Labor government’s quite quick decision, made towards the end of last year, to sell its majority shareholding in Snowy Hydro. It is worth emphasising that the New South Wales government currently owns 58 per cent of Snowy Hydro, so it alone, as a government, has a controlling interest in the ownership of Snowy Hydro.

I think there are many questions that could be asked and should be asked about the way in which the New South Wales government went about making that decision, and it is fairly clear that the reason that the rushed decision was made towards the end of last year is related to the New South Wales Labor government’s perilous budgetary situation. It needs the cash and it needs the cash fast. I think it is a shame that such an important issue as the privatisation of Snowy Hydro was accelerated to the forefront in the way that it was simply because the New South Wales Labor government cannot manage its budget.

But, having made that decision, and with the Victorian government subsequently deciding to sell its 29 per cent, it would have been irresponsible for the Commonwealth not to consider its position on the 13 per cent that it holds in Snowy Hydro. I agree with the member for Melbourne when he says that a 13 per cent shareholding in what would be a private company would not give the Commonwealth much power in decision making with that particular company. Consequently, the cabinet decided that the Commonwealth government’s 13 per cent holding would also be sold.

The corporatisation of Snowy Hydro took place in 2002, and this was an issue of great debate back then as well. In allowing that corporatisation to proceed, one issue that I ensured occurred at privatisation was the maintenance of the headquarters of Snowy Hydro in Cooma. It is obviously a key industry for the Snowy Mountains and particularly for Cooma, and many of the people of Cooma and the region have a great connection with Snowy Hydro.

That happened as part of the corporatisation. In fact the activity of Snowy Hydro in
Cooma and the region has grown in that time. So when this came on the agenda I certainly ensured that all the issues related to the Snowy Hydro privatisation were considered in great detail. I have been working with my colleague Senator Nick Minchin in that respect. I got all the advice so that the New South Wales dash-for-cash would not be detrimental to the environment, existing water users or others who might be affected by this scheme.

One of the issues related thereto is the lakes. A number of the lakes in the Snowy scheme are in national parks; there is probably superficially more protection for those lakes, being wholly within national parks. However, there are two main lakes, Lake Jindabyne and Lake Eucumbene, which certainly have a use far beyond just storing water in a hydroelectricity generating sense. Those lakes are integral to tourism in the Snowy Mountains. I personally own a small shack on Lake Eucumbene, at Old Adaminaby, which my wife and I bought in 1981, and I have been a regular visitor to that since 1981. That is my real tie to the region and partly why I ultimately stood for election to this place as the member for Eden-Monaro.

Those two lakes are integral to the tourism industry in the region. Many people have come to me over the last couple of months about matters related to the ongoing operation of those lakes and access to them. A few weeks ago I attended a meeting of the Eucumbene Chamber of Commerce in Adaminaby, and many of the people who own businesses in the region and who certainly rely very heavily on having those lakes for their businesses were at that meeting. They raised a variety of issues with respect to the level of the water in the lakes and their environmental flows, and particularly with respect to access and use of the lakes.

These lakes are great fishing locations, particularly Lake Eucumbene, which has been much better from a trout fishing point of view over the last few years than in some time. So they are great recreational lakes for boating and fishing—Lake Jindabyne particularly for waterskiing—and other activities. I wanted to ensure that there would not be any change in that recreational use with the change of ownership, so I worked very closely with Senator Minchin on this issue, and I thank him for his active interest when it seemed that the state Labor government had just washed its hands of some of those concerns. Things sort of happened without the issues really being gone through closely.

Advice has now been received that the use of the lakes is governed by the state government, which actually owns the water. Snowy Hydro does not own and will never own the water in the lakes. They have title to the land under the lakes but not the water. So the New South Wales state government does have legislative arrangements to regulate and look after that aspect of the lakes. The advice is that this arrangement will continue after the privatisation of Snowy Hydro, ensuring that boating and fishing activities will remain under the regulation of the state government and not a private company.

I have to say that the New South Wales local Labor member, Steve Whan, has been pretty ineffectual in raising and addressing these particular concerns of the local people with his government. In fact his own government’s cabinet made this decision without even telling him. They did not even tell the local member, so you have to ask what sort of influence he has in his own government. That was of great concern to people and why people came to me to say, ‘We want to be sure that the use of this lake is not going to change.’ Mr Whan seems to have done nothing to give comfort to people, but I have worked very closely with Senator Minchin.
and his advisers to ensure that we have this information, which, in speaking to this motion today, I can impart to my constituents, residents, tourists and visitors to the region. What we can say is that the use of the lakes is a New South Wales government responsibility. It falls at their feet now to ensure that the existing use rights enjoyed by local residents do continue, as they are, into the future. I call on the Premier and the New South Wales government to give my constituents that guarantee.

I will conclude by commenting on the amendment put forward by the member for Melbourne. The government will support this amendment. We do not have a problem at all with the amendment, because in the amendment are matters that we believe in very strongly, such as Snowy Hydro meeting the environmental flows of the Snowy, the Murray and other rivers, and we strongly support reporting back to the House five years from the passage of this motion on the performance and outcome of the share transfer and disposal with respect to this sale.

There is another matter that I will quickly mention. The member for Melbourne talked about the Victorian government putting their money into schools. Comments like this are really grandstanding and politicking, because at the end of the day how does a government identify particular money gained from a particular sale for a particular expenditure? The state Labor member for Monaro was running around making similar sorts of comments. His own cabinet did not even tell him that they were going to sell their share. He said that he was against it, that he was going to fight—but he was not prepared to cross the floor over it in the New South Wales parliament, I might add—and that he was going to make sure that money from the sale would go back into the region. I predict that from now until the New South Wales election in March 2007 he will claim that every single cent of New South Wales expenditure in his electorate is money that he got out of the sale of Snowy Hydro—which is just a farce. The proof of people’s representations is what they do across the board, not stunts like saying, ‘Yes, we’ll take some of that money and put it back in.’ We have been putting increased funding into major projects and major areas like education, health and transport, and I will ensure that continues and that my electorate is well serviced in that regard. But I reject these stunts about particular money going in certain directions. As anybody running government knows, income goes into Treasury and then government makes decisions about where money will be allocated, and you cannot trace it dollar by dollar from one project to the next. As I said, the government will support the amendment moved by the member for Melbourne, and I commend the motion to the House.

Mr MARTIN FERGUSON (Batman) (10.39 am)—Like many members on both sides of this House, I rise to speak on this debate in the parliament with a very heavy heart. There was no proposal on either side of this House to actually sell Snowy Hydro Ltd. I say that because I actually think the Snowy is an Australian and international icon. It is not only a very broad statement of our success in building big projects, huge engineering feats, but also a domestic and international statement about the success of postwar migration to Australia and the success of multiculturalism. In that context, I say on behalf of the opposition that we appreciate the government accepting our amendment to the motion before us. The amendment was proposed in good faith to try to ensure that the three governments involved in the privatisation actually fulfil their responsibilities with respect to the future use of the Snowy Mountains Hydro-Electric Scheme.
I say that because I think this scheme is exceptionally important—and how could anyone suggest otherwise? With 16 major dams, seven power stations, a pumping station and 225 kilometres of tunnels, pipelines and aqueducts, the Snowy Mountains Hydro-Electric Scheme is by far the greatest engineering project ever undertaken in Australia and one of the biggest and most complex hydroelectric schemes in the world. Only two per cent of the entire construction is visible above the ground. The entire scheme covers a mountainous area of approximately 5.124 square kilometres in southern New South Wales. The scheme’s construction was a defining point and a defining moment in Australian history. It was an important symbol of Australia’s identity as an independent, multicultural and resourceful country as we went through postwar reconstruction and actually made a strategic investment in our nation’s future. It is therefore worth reminding the House of the fascinating history of the scheme, because it is a remarkable statement about the Australian character and why it is important that privatisation comes with accountability to properly maintain, upgrade and grow the Snowy Hydro energy business.

As I said at the outset, the Snowy Hydro has a very special place in the hearts of all Australians. Construction started on the scheme on 17 October 1949, when the Governor-General, Sir William McKell, Prime Minister Ben Chifley and William Hudson fired the first blast at Adaminaby. At the launch of the project, Ben Chifley, the Australian Labor Party leader, presented it as a national milestone. In the mind of the government of the day, it was important for the drought relief it was thought it would bring to inland Australia, for the power it would supply and for the ambitious size of the project.

Construction was completed in 1974, for a total historical cost, funded by Commonwealth government advances, of $820 million. Because the project was so much bigger and more complex than anything that had ever been done before in Australia, the engineers needed to develop methods that were new to Australia and the world. Safer and cheaper construction techniques were used and the project set new standards in occupational health and safety for the time. It also represented a major advance in how we undertook projects in remote areas of Australia. The power stations adopted higher outputs of electricity transmission than ever before. The project used Australia’s first transistorised computer, which was also one of the first in the world. Called Snowcom, the computer was used from 1960 to 1967, contributing greatly to the efficient and successful completion of this major project. The construction effort itself is actually hard to comprehend today when you think about the difficulties we have getting up infrastructure investment in Australia in the 21st century.

What a huge undertaking it was, given the size of the workforce. More than 100,000 people from over 30 countries came to the mountains to work on the project. Up to 7,300 workers would provide their labour at any one time. Importantly, 70 per cent of all the workers were migrants. Many of these came from war-torn Europe. They came to Australia to work on the project, attracted by what were then considered to be the relatively high wages offered on the job. We should not forget that at that time work was hard to come by in war-torn Europe.

Most of the workers were men who had left their families at home in Europe. Their plan was to work hard, create a new opportunity in a new country, save their money and bring their families out when they could afford to. The work was hard and the conditions were tough. Because 98 per cent of the project was underground, there was a lot of
tunnelling, often through solid granite rock. Work in the tunnels was dirty, wet, noisy, smelly and sometimes exceptionally dangerous. Lives were lost on this project and some workers were maimed for life. More than 120 workers died in the project’s 25-year period. That just shows what a huge project it was and, despite the advances in health and safety on the project, how dangerous the job was.

Living conditions were also exceptionally tough. People lived in camps, and towns were built in the mountains to house the workers and their families. Often these dwellings were not suited to the freezing conditions of the Snowy. They were cold and the water would freeze in the pipes. When the workers’ wives and families came to join them in the townships, the women found it hard to find work, hard to overcome the hardships and the loneliness of being away from their home country and hard to establish communities in the strange, new wilderness of this outback environment of Australia. When work was completed in one area, the dwellings were dismantled and moved to another area—so very little remains of these towns today.

Exceptionally important for Australia was that the majority of these workers and their families remained in Australia after the project. They then went on to make many valuable contributions to Australia’s multicultural society and to the Australian construction industry, especially public works in places such as Sydney and Melbourne and in regional Australia.

The project was built in Australia’s national interest, with the support of the New South Wales, Victorian, South Australian and Commonwealth governments. The scheme today provides electricity to the national electricity market and much needed drought security to Australia’s dry inland.

In terms of its history, on 7 July 1949, the Commonwealth passed the Snowy Mountains Hydro-electric Power Act 1949. This established the Snowy Mountains Hydro-electric Authority, the operating body of the Snowy Mountains Scheme. In 1997—the world moves on—a new company, Snowy Hydro Trading Pty Ltd, was established by the New South Wales government and the State Electricity Commission of Victoria, as a joint venture to trade electricity generated by the Snowy Mountains Scheme in the new national electricity market. The Commonwealth then formally joined the Snowy Mountains trading company as a shareholder in February 2000—hence the debate today. The two companies were merged and corporatised to become Snowy Hydro Ltd in 2002.

The opposition supports the motion proposed, with the amendment now accepted by the government, but it has done so with some regret. Also, we thought there was inadequate time given for our caucus to consider this complex bill. We were advised of the proposition on Monday evening, we debated it at short notice in our caucus on Tuesday and, on the basis of the government’s timetable, the debate in the House is to be completed today. However, at least the outcome reflects the concerns of the caucus, as expressed in the terms of the amendment accepted by the government.

Having said that, I acknowledge that it is the desire of all the shareholders to privatisethe company, albeit at the request and pressure of the New South Wales government. Their collective view that it will be in the interests of all Australian taxpayers and consistent with energy market reform is supported by both sides of the House. But it is important, as proposed in the amendment moved by the member for Melbourne, seconded by me and now accepted by the government, that the people of Australia have very clear assurances that the claims made
by the governments—the joint governments: New South Wales, Victorian and Commonwealth governments—about privatisation are met. It is a collective responsibility.

The New South Wales government forced this privatisation, which was initially opposed by the Victorian and the Australian governments. I say, as did the member for Eden-Monaro, that a heavier responsibility rests on the shoulders of the New South Wales government than on any of the other governments involved in this decision, to guarantee that the undertakings and commitments sought in the amendment moved by the opposition are fulfilled. That is exceptionally important, because it is about this parliament acting in good faith. It is about this parliament saying to the Australian community that, when we make decisions, we are going to fulfil the full requirements and undertakings related to that decision.

The opposition want to be sure, in particular, that there is a guaranteed commitment to local employment for the scheme and, further, that privatisation does lead to the continuing maintenance and upgrading of the scheme and the growth of its business. That is the basis of the argument by the New South Wales government. They want us to believe that it is not a fire sale but an opportunity to grow the business. We are going to test their statements, which led to the decision to privatise the Snowy Mountain hydro-electricity scheme. If they say it is not a fire sale then they had better fulfil their commitments, which are now accepted by the Australian and Victorian governments.

We also want to make sure that the advances made in recent years in restoring the environmental flows of the Snowy continue to proceed. This was largely initiated by the Victorian Premier, in association with the New South Wales Premier, and eventually with the support of the Australian government. They have a collective responsibility to the environment of the Snowy by delivering on their legally binding commitments to water flows.

In conclusion, I want to say in response to the remarks made by the member for Eden-Monaro that the Victorian government was dragged to the altar with respect to this privatisation. They have stated to the Victorian community that the proceeds from the sale—which can be clearly identified; there will be a certain amount of money—will be spent on upgrading schools infrastructure in Victoria. That is a one-off opportunity, as a result of the decision made the Victorian Labor government, to renew some of the infrastructure of schools built in the 1950s. That is the case with a lot of our infrastructure around Australia. We have to renew that infrastructure as an investment in the education of our young for the future.

I acknowledge the decision of the Victorian government to actually do something constructive. The Snowy scheme represents the savings of many Australians. It was the biggest scheme undertaken to that date; in relative terms today a substantial scheme in the nature of Australia, be it at a state or a Commonwealth government level. The Victorian government have done the right thing and they are to be congratulated. In view of those matters, I simply say that I support the motion before the House, including the amendment moved by the opposition. This will hopefully guarantee the performance and outcome of the sale to be reported at the end of five years after the passage of the privatisation resolution. I commend the motion, as amended by the opposition, to the House.

Dr LAWRENCE (Fremantle) (10.53 am)—I want to speak very briefly on this motion to make a couple of points that I think deserve some attention. The decision by the New South Wales state government
and, indeed, the form in which this decision comes before the House are totally inadequate for such a substantial change in policy. There has been no provision for proper debate. I do not hold the Commonwealth government necessarily solely responsible for that but this parliament should take more care over such an important decision.

We should be in a position to properly canvass the economic case and to check and test the alleged benefits and costs associated with the sale of the corporation. We should be able to explore the possible consequences for environmental flows in the Snowy in particular and for the health of the Murray River, which I know is vital to the consideration of a great many members in this House. What will be the consequences? How will it be affected by this privatisation? We should, in the debate, be in a position to clarify the position of irrigators who are reliant on water flows from the dams. We should discuss the use to which the state and the Commonwealth proceeds will be put. It should be in the form of a piece of legislation which we can examine. Finally, we should be in a position as a parliament to prescribe the community service obligations for what is indeed a complex, public utility.

When Vin Good, the former commissioner for Snowy Hydro, expresses reservations about this sale—and he is no opponent of privatisation—we should pay proper heed, for example, to questions like the one he raised in a recent radio interview. He made the proposition that while Snowy Hydro does not own the water—that is owned by the state—the argument is that as a private company perhaps it should pay for its use, as is the case with some other hydroelectricity schemes. That is one of many questions that we should be properly able to analyse in this parliament.

Ideally, with such a major decision, we should be able to test the claims in advance and not rely, as we are having to, on an amendment to test the claims after the deed is done. We should have been able to look at expert advice and carefully study the various propositions, including the economic case. The sad reality is that the New South Wales government has made a budget not an economic case. Part of the problem is that the New South Wales government, like other governments, including the federal government, has been refusing the necessary capital injection because it has become ridiculously debt averse. We have seen a decline in the quality and quantity of infrastructure around Australia as a result.

The sale of such a major public asset actually requires much more careful consideration particularly in the light of some fairly spectacular failures of privatisation, especially in the electricity market as people in Victoria and South Australia will bear witness. It is not unreasonable to require governments to justify the sale of publicly held assets, firstly to examine the loss of the revenue stream and the loss of control. How will they be able to influence outcomes into the future? Governments must also examine possible market distortion with such a big player depending on the ownership structures that emerge and we have had no discussion of those ownership structures. What sort of sale will it be? There is a very real question around future compensation payments. Whose responsibility will they be? The current CEO says it will cost hundreds of millions more in compensation to reach the 28 per cent environmental flows that are agreed but not yet achieved. Then there is the nature of the sale itself. Should there be maximum shareholdings and controls on foreign ownership, for example?

I think it is very clear that the sale was provoked not by careful assessment of the
case but by the actions of a cash strapped New South Wales government. That is not a very good reason for undertaking a sale, especially, as I say, given recent experiences with private operators in New South Wales, particularly in the transport industry. I would have thought it was cause for caution, given the catastrophe that is the cross-city tunnel for example. We should pause before we sell a national icon—100,000 workers toiled for 25 years to construct it, as we heard from the previous speaker. There have been economic benefits from Snowy Hydro but there have been huge environmental costs as well. There is a debt which is far from being repaid.

We understand that the sale is expected to raise $3 billion to be divided according to the shareholdings of the states and the Commonwealth. That is a lot of money and much of it, as we understand, will go to schools and hospitals in New South Wales and Victoria. The Commonwealth apparently proposes to use it to place in the Future Fund to cover the superannuation liabilities for public servants. I ask the question, as a former state Treasurer, and as the member for Eden-Monaro also speculated, about whether that really would be extra money going to schools and hospitals or whether the states would simply replace existing sources.

The long-term problem is that we have recent agreements on improving environmental flows, particularly in the Snowy, firstly to restore up to 21 per cent then finally up to 28 per cent. Some of the money must be set aside to enable it to happen. To go beyond 21 per cent will require hundreds of millions of dollars in compensation to both irrigators and Snowy Hydro. We should be assured that that has been planned for. But there is no indication in this notice of the mechanisms which will enforce compliance with the higher rate. Allowance obviously does have to be made in those sale proceeds. Significant funds should be put towards repairing the Snowy and the Murray, which we all know has serious problems, especially given drying climate conditions. I have to say, just as a footnote, that everybody understands that the electricity market into which this will feed is far from satisfactory in its operations, and those questions have not been addressed in this motion. In conclusion, because I did only want to be brief, I think this raises a great many questions about the procedures of this parliament and I am deeply worried we have not properly considered this matter.

Mr ALBANESE (Grayndler) (11.00 am)—The Snowy Mountains Scheme is indeed one of Australia's great iconic infrastructure projects. It consists of seven power stations, 16 major dams, 145 kilometres of interconnected tunnels and 80 kilometres of aqueducts. The scheme is acknowledged to be one of the civil engineering wonders of the modern world. It took 25 years to build and made an important contribution to building multicultural Australia. More than 100,000 people came from over 30 countries, bringing with them their commitment to building a new life for themselves and their families in Australia in the postwar period.

The scheme also has a number of benefits. It provides renewable clean energy and related products. It supplies water for irrigation and for agricultural production. Snowy Hydro Ltd is the chief provider of peak renewable electricity to the national market. At the moment it provides some 3,756 megawatts. It is important, in the context of climate change and the need to expand the renewable energy industry in Australia, to acknowledge that the scheme prevents some 4½ million tonnes of carbon dioxide from being released each year. That is the equivalent of the exhaust of a million cars. So it is not surprising that Snowy Hydro is an integral player in the mandatory renewable energy target program.
— a program that is effectively due to cease because of the failure of the government to take seriously the need to expand renewable energy in a carbon constrained world. Indeed, that mandatory renewable energy target of two per cent is pathetic. Its collapse is due to a failure of leadership not only on the environment but also on industry and securing future economic growth. Snowy Hydro is also a participant in the national Greenhouse Challenge Program and the National Green Power Accreditation Program and it will be a part of a state based emissions trading scheme to be introduced by the states, once again, in the absence of national leadership.

However, it is also important to acknowledge that there was a negative result of the Snowy Mountains Scheme. That came about by the diversion of water from the Snowy and downstream from the Murray, Murrumbidgee and other systems. Australia used to have a view, as the world did, that you could just divert rivers, construct dams and it did not have an impact in the long term. We have moved to more enlightened times where it is acknowledged that that is not the case. Hence, in recent times governments have got together to ensure that environmental flows are returned to the Snowy and alpine rivers and the Upper Murrumbidgee and Murray rivers in line with government commitments. My main concern with the privatisation of Snowy Hydro is to ensure that those commitments are not endangered. Therefore, I am very pleased to support the amendment moved today by my colleague the shadow minister for finance, the member for Melbourne. I am pleased that the government has accepted that amendment to the motion before the House.

The amendment goes to a number of issues. It seeks to ensure firstly, that local employment will be increased; secondly, that privatisation will lead to innovative maintenance of the Snowy scheme equipment and infrastructure; thirdly, that privatisation will not affect water releases or water rights of downstream users in New South Wales, Victoria or South Australia; fourthly, that obligations to release specified volumes of water into each of the Murray and Murrumbidgee rivers every year for the next 72 years are kept; fifthly, that Snowy Hydro meets the environmental flows for the Snowy, Murray and other rivers agreed by the New South Wales, Victorian and Australian governments in the Snowy Water Inquiry Outcomes Implementation Deed for the corporatisation of the scheme in 2002; and, finally, there will be a report back in five years time on the consequences of the passage of this legislation.

The Snowy River environmental flows were part of this significant agreement. Originally the agreement was that flows for the Snowy River must reach at least 21 per cent of natural flows by 2012. It is a sad reflection perhaps that there had to be an agreement between two states and the Commonwealth government that the flows of this magnificent natural river had to reach 21 per cent. However, that was the case. I note that, as part of the agreement, the Commonwealth committed $75 million. Once again, it was state Labor governments providing that national leadership, with both Victoria and New South Wales committing $150 million each to the project. Some progress has been made—10 gigalitres into the Snowy River since corporatisation in June 2002 and 19 gigalitres into the Murray River. There is some ongoing concern about the environmental impact of privatisation. My colleague the member for Fremantle outlined some philosophical views on privatisation with which I would concur.

The reason public ownership can be important is that it guarantees that governments can directly intervene given changed circumstances. When we look at environmental
flows in rivers and at water in general, we need to acknowledge that climate change will mean we will face a very different Australia in 10, 20 and 30 years. According to the government’s own report *Climate change: risk and vulnerability*, which was received by the government in June last year, we can anticipate a 30 per cent loss in rainfall and a further 30 per cent loss in run-off in southern Australia. So I put on record my concern that agreements made today need to ensure that they deal with the tomorrows we face as a result of climate change. Against that, it must of course be acknowledged that Snowy Hydro does not actually own the water and never has. This legislation will not change that. Snowy Hydro owns the assets only, and therefore environmental allocations will not be affected by the privatisation of Snowy Hydro.

I also note there are a number of legally binding agreements which ensure that environmental flows are protected. These include the Snowy Water Inquiry Outcomes Implementation Deed, the Snowy water licence and the annual water operating plan. None of these agreements are affected by the legislation before the House today and by the privatisation of the asset by New South Wales, Victoria and the Commonwealth.

I am very pleased that the amendment moved by the member for Melbourne has been accepted by the government. Once again, it has been up to the Australian Labor Party to be diligent and to make sure that the important national interest that the environmental flows in the Snowy River and other river systems represent is protected. I commend the amendment to the House.

**Mr GARRETT** (Kingsford Smith) (11.09 am)—I rise to support the amendment and the remarks of my colleagues the member for Grayndler and the member for Fremantle. People listening, particularly in country New South Wales and country Victoria, would be a little astonished by the contribution that has been made, particularly by the government, on this very important issue as we discuss the corporatisation of Snowy Hydro and now its privatisation. The reasons for that would be evident upon reflection. The member for Batman, in his remarks, pointed out the significance of the construction of the Snowy Hydro. It not only provided water for the Murray-Darling Basin but additionally provided secure employment for a significant number of postwar immigrants to Australia and, more generally, contributed to the sense that, following the end of World War II, Australia was capable of taking on an engineering task of this size and magnitude and doing it successfully.

I want to raise some concerns I have about the imminent privatisation and make further comments in relation to specifically what is proposed. It has to be said that, whilst it took a quarter of a century to build, it was a world-recognised engineering achievement, it created great wealth and the water it provided for irrigation sustained a farming community, Snowy Hydro also had some significant environmental disadvantages. Most notably, there was the ultimate state of the Snowy River itself, a river that is steeped in the folklore of Australia. The poem *The Man from Snowy River* is well known by all of us, yet, towards the end of the 1990s, we had a situation where the river was in very deep trouble. Flows were down to about one per cent and it was clear, from the public clamour to restore that river to health, that something had to happen.

The Snowy hydro scheme is simple in one respect but complex in another. It harvests water from the Snowy Mountains. The water goes west, under the mountains, to the Murrumbidgee and Murray rivers for irrigation and generates electricity as it drops down onto the plain. There are some 16 large dams
and 220 kilometres of tunnels, pipelines and aqueduct. We saw on the *Movietone News* the sight of workers toiling in Cooma and Jindabyne to produce the engineering marvel.

But the drip release of water into the Snowy River itself meant that pressure was inevitably going to be put on the governments that owned the scheme to produce water for environmental flows. The set of negotiations between state governments, the federal government, conservationists and river users, particularly in the Snowy River region in Victoria, which emerged from the commissioning of an extremely in-depth environmental impact statement, meant that eventually, following various scientific studies, there was a recommendation of a return of 21 per cent of natural water flows back to the top of the Snowy River and additionally a commitment for efficiency restructures for irrigation and channelling and a further seven per cent flow to get to the required scientifically identified level of 28 per cent.

On 29 August 2002, the corporatisation took place and the release of water into the Snowy River happened. As the then President of the ACF, I was proud to be there with Premier Bracks and Premier Carr on the occasion of the release of that water.

But I want to draw to the attention of the House some of my great concerns about the subsequent actions of Snowy Hydro, particularly in relation to the on-selling of the agreements that exist within the privatisation, which I think this House and particularly the major shareholders—the New South Wales government and the Victorian government—should be mindful of. In effect, Snowy Hydro went from providing water for irrigation and generating power to trading in water and energy. The agreement to return environmental flows to the Snowy was made, but two issues arise when we consider what happens next. And I think it will be instructive for the House to hear that story in some detail.

Members of the public, conservationists, river users, irrigators, farming communities and others, including me, were firmly of the view that the wording of the agreement, the public announcements and the press releases provided for the Mowamba aqueduct to effectively be decommissioned so that there would be a release of environmental flows into the Snowy River and that these would occur as natural flows. Instead, relying on a technical interpretation of the agreement, after the first release of water from the Mowamba, subsequent flows of water from the Mowamba were redirected back into Jindabyne and the second release of water back into the river system came from Jindabyne and the dam.

I have to say clearly that this was definitely in breach of the spirit of the agreement signed by the governments. On Tuesday night I took leave from the House to speak in Berridale. Every single person who approached me about this issue was wondering why there is not a vigorous debate about it in the parliament and drew my attention to the fact that the spirit of the agreement had been breached and that there was not in fact the provision of environmental flows into the Snowy River as the public had been led to believe.

The argument that comes back is: the amount of water being provided goes back into the Snowy, so what is the concern? I will explain the concern in these terms: the Snowy River was a healthy organism, a river system with its health derived from annual river flows and the variability of weather events, a dry season followed by spring or summer rains, and it is that process—the natural flows and the pulse rates of the
river—that generates river health that increases biodiversity.

If you do not have that, if you only supply water when it suits you from the bottom of a dam—or the top of a dam if there is an overflow—you do not replicate as closely as you would otherwise the natural pulse, variabilities and flows of water into the river system. That is very clearly a breach of the public's understanding of what was going to take place following the corporatisation and of the commitment by the Commonwealth, but more particularly by the New South Wales and Victorian governments, to expend that money into the river system. I think that is an issue that we should not lose sight of. When the Victorian, New South Wales and Commonwealth governments come to sign off on privatisation, extremely careful scrutiny must be made of the actual terms of the existing agreement—in particular, the way in which they might be technically read so as to subvert their total meaning.

An additional question arises as to what happens in the future when we reach the situation stipulated in the agreement about above minimum flows. Minimum flows are locked into the agreement for 72 years, but if there is excess water in a season then there is a question as to when, how and who gets that water. The dollar pressure to hold onto water, to release it for energy or to hold on to it for irrigation in drought at a later time, as opposed to providing for it as a release to make up between the 21 per cent and 28 per cent for environmental flows, will definitely raise its head.

I draw the attention of the House to comments made by the member for Grayndler. He said that climate change creates a very different Australia. The fact of the matter is that rates of evaporation out of our river systems were the highest ever in 2002—the year this corporatisation agreement was signed. But the projections from the CSIRO and other authorities about the likely impacts of climate change mean that the impact on the Snowy Hydro, on allocations, on existing storages and on river health—into the Snowy where we need environmental flows and through the Murray where we need both environmental flows and an adequate provision of water for irrigators—will become the most important issue, and management issue, that a privatised Snowy Hydro will have to face. I say very strongly to the premiers of Victoria and New South Wales and also to the federal government that it is critical that this issue be factored in as an additional component to any agreement that is finally reached on privatisation—additional to the existing agreements that led to corporatisation. It seems to me to be as important as other issues that have been raised by the member for Fremantle and others. This is the critical issue.

The reason for that is that all the figures that exist within the corporatisation agreement are based on an EIS that was undertaken in the 1990s, which had at that point in time sufficient and available data as was known. In the six years since that time, we have learned a great deal more about the likely impacts of climate change. There is a great deal more economic research and there is a much higher responsibility for governments, as there is for corporations and individuals, to adopt a precautionary principle on something as critical as water. I tell you: for those communities in the Murray-Darling Basin and down the Snowy, the provision of water will be the most critical thing of all.

I will confine my remarks to saying that it is these issues that need consideration. I note that it is considered that the privatisation should take place some time in June or July. It seems to me that that is an exceedingly hasty time frame to determine a privatisation of this scale. I also understand that there are
additional agreements and negotiations being undertaken between state and federal governments and the privatisation entities. I think that this parliament and the parliaments of Victoria and New South Wales are entitled to know what they are so that we can have a full debate about them. At the very least, in supporting this amendment, and recognising that we have been able to raise these issues in the House, I hope that the full context of the remarks that I have made on this upcoming privatisation can be noted.

Mr ANDREN (Calare) (11.21 am)—I must say that this debate on the Snowy Hydro caught me somewhat by surprise, having expected a full and thorough inquiry and a piece of legislation to effect privatisation of these publicly built assets which, as many other speakers have said, are iconic in the Australian history. They have the rich history of postwar immigration and the role of showing that Australia had the will and the expertise to create a water delivery process of such immense value to this nation. As we all know, water can be a huge asset but also can create enormous difficulties. The control of that flow of water, irrespective of the electricity it has generated over those years, has created a situation now along the Murray-Darling where we are confronted with a crisis of environmental proportions that few continents on this planet have seen.

I well remember the debate over the full privatisation of Telstra in this place about a decade ago. The then shadow minister for the environment, Mr McLachlan, and I had a chat in this chamber after that debate, in which I had said that the 2001 program for the restoration of the Murray-Darling was in fact a 2101 project, so vast were the challenges facing us. Mr McLachlan agreed fully that it was a 100-year program and that the $1 billion then being set aside for the environmental program was but a drop in a very deep well.

The proposed divestment of public ownership of the Snowy Mountains Hydro-Electric Scheme means that the public will lose control of that asset. It shows a lack of commitment to the long-term difficulties of that river system. While I understand now that section 7 of the 1997 bill provided for the Commonwealth only to require approval of parliament through a process like this, I think most Australians would have expected a full and proper debate, publication of that debate and a full inquiry into the ramifications of the privatisation process. The Labor and coalition parties have combined here to accede to the wishes of the Victorian and New South Wales governments and, as the previous speaker, the member for Kingsford Smith, said, with no proper provision for the sorts of flows into the Snowy River in particular as had previously been agreed. My Independent colleague in the Victorian parliament, Craig Ingram, has severely criticised the position of the New South Wales government to go it alone and totally sell its 58 per cent share of Snowy Hydro. He says:

The NSW decision to totally dispose of its shareholding in Snowy Hydro undermines the two other shareholders (Victoria and the Commonwealth), the security of irrigator entitlements and future needs of the environment ... The Snowy corporatisation agreements lock the delivery of water in for the next century and any changes during that time to the needs of the irrigation industry or environmental flows would be almost impossible under a privatised Snowy Hydro.

As Mr Ingram clearly points out:

The NSW government believe that there will not be any need for adjustments in the irrigation industry or the environmental flows in the next 100 years?

He and others describe this as a ‘blatant grab for cash’. We all know that the New South Wales government is severely strapped for cash. God only knows why and how, given
the flow of GST funding. Despite the claims it is not getting its fair share, what is New South Wales doing with its resources when it is leading the charge to privatise one of the key pieces of public infrastructure? The continued control of the Snowy system by the governments of this country, I believe, is absolutely essential to maintaining our impetus to ensure the environmental outcomes that are so desperately needed along the river system.

The Snowy is part of the nation’s building infrastructure, as Mr Ingram said. It was built with taxpayers’ dollars, without addressing the security of environmental flows at the time. I would suggest that this parliament should have adopted the very reasonable suggestion made in the other place by the Leader of the Australian Democrats, Senator Allison, that at the very least this issue should go to a full and public inquiry before these steps are taken. It has been written here, there and everywhere that the Victorian, New South Wales and federal governments are the owners of the Snowy system, but they are the protectors, the guardians, of this public investment. As with telecommunications, I would argue, as do the majority of the public, that these assets are of such importance and of such environmental significance that it is not for the government of any three-year cycle to dare to suggest that it is theirs to flog off.

No doubt the 19.8 per cent return on investment that the Snowy delivers is the reason for selling it, and what an attractive pie it will be to the private sector. What commitment will they have to the environmental consequences of the process? Whatever steps we put in place to protect the environment, there is absolutely no certainty that the guarantees we are seeking, as reflected in the amendment from the opposition—that local employment will increase through use of local specialist contractors, that it will lead to innovative maintenance and upgrade programs, that it will not affect water releases or water rights downstream—will eventuate. I suggest the only way to ensure that outcome would be the continued public administration and ownership of the very infrastructure which is required to deliver it. Reading through some of the contributions to the debate in the other place, I see that the Australian Conservation Foundation have reported that the percentage of stressed and dying red gums along 1,000 kilometres of the Murray has increased from 51 per cent to 75 per cent over the last 18 months to the end of last year, an increase of nearly 50 per cent.

I do not have to recount chapter and verse the crisis of the Murray-Darling river system—we all know how stressed and distressing that situation is—but the public would at least like the right, through their parliament and through a properly set up inquiry process, to put their views. The previous speaker referred to a meeting this week where the concerns of people living along the river system, particularly the Snowy River, were canvassed. They are certainly not convinced that the provision for the inflows that have been promised will in any way be guaranteed with the full privatisation of Snowy Hydro.

Through its amendment the opposition wants guarantees of the government’s claims that the privatisation will not affect water releases, that Snowy Hydro will meet its obligation to release specified volumes of water into each of the Murray and the Murrumbidgee rivers every year for the next 72 years and that Snowy Hydro will meet the environmental flows for the Snowy, Murray and other rivers. They are very admirable aims, but I suggest that issues like Cubbie Station and the lack of overall national responsibility for water storage, and our water policy generally, are part and parcel of the whole problem that we face here.
At the weekend I was talking to a landowner from the Barwon-Darling region, whose income and opportunities have been severely restricted by the situation at Cubbie Station with the harnessing of water. With the Murray-Darling we have what should be a national river system under national supervision because the states have shown they do not have the foresight to properly supervise those assets in the national interest. So what do we do? We meekly accede to the wishes of a cash-strapped government to flog off this asset for short-term political and financial gain, so they think. The long-term interests of our river system—the water delivery and the environment—are left as somebody else’s problem down the track. At the very least this process needs a proper and full parliamentary inquiry. That is the very least the public would expect in their infinite wisdom of these things.

Once again, the major parties in this place have combined to surrender the assets of this nation that were built on the blood, sweat and tears of generations past. I find it absolutely outrageous—I do not find it amazing; I have come to expect that sort of thing in this place—that here we have a collusion of the major parties to rid us of this national asset. Whatever the well-meaning intent of the opposition’s amendment to the motion, it guarantees absolutely nothing. What we will be guaranteeing is the slow death of the Murray-Darling system once the control of that water is fully privatised.

Ms OWENS (Parramatta) (11.33 am)—It is with great regret that I stand to speak on this motion, which allows for the sale of the remaining portion of Snowy Hydro Ltd, an asset held dear by many Australians. From the surprisingly large number of people who have called my office in the last month begging that this asset not be sold, I know how many people will grieve for the loss of an asset which very much forms part of our identity as a nation. The Snowy Mountains hydro-electric system was built by people able to solve problems—people who did the hard things with great courage when they were necessary. It remains one of the great civil engineering achievements of the world.

A nation is not just made up of a group of individuals. We are bound together by the things that we share—the experiences we share over the days and weeks that pass, our sense of ourselves, our character, our history and the perceptions that we share of each other. Just as friendships grow over time into the future because of the things we share in the past and the things we do together today, so does a nation. The achievements that we honour also bind us together, and the development of the Snowy Mountains scheme is a part of that. Our experiences as a nation are as essential for our prosperity as our individual experiences.

Today we are agreeing to sell an important element of our national character. This action warrants very serious, lengthy debate. Unfortunately, of course, today we see a motion being put with unseemly haste. The opposition were advised of this on Monday night; we debate and vote on it today without the time for our communities or this House to debate it seriously or for stakeholders to make their case. This is incredible haste over what is a very important part of our national identity. This is not just an economic issue; this is not just about the money. This is also about allowing people to come to terms with and debate what is a very serious matter for a great many Australians.

It is particularly serious because many Australians do not share the belief of the supremacy of privatisation. There is considerable disagreement in the community and in this parliament about the notion that private is always better than public. There are many economists and businesspeople who question
the validity of that and who believe that, at times, private is not necessarily better than public—that there are times when public ownership is unbelievably important.

Again, this is a debate we should be having. Tough decisions are not necessarily those that are made without regard for the views of others; strong decisions allow for debate, strong decisions allow for the views of others to be incorporated and a strong government would do the same. What we are seeing today, once again, is lazy government—a government that cannot be bothered to put its case to the public; a government that cannot be bothered or is too fearful to allow this debate to happen. We are seeing the government push this through as quickly as possible so that the debate will not happen, knowing that many Australians will not even find out that Snowy Hydro has been completely sold for many years to come—if at all. Without the strength to debate it, by this unseemly haste the government is completely hiding its actions to sneak it through as fast as possible without debate to hide it from as many Australians as possible and without allowing the stakeholders to debate this in the way that it should be debated.

Having said that, I do appreciate that the government is supporting the amendment Labor have moved, which at least seeks to protect the interests of some of the stakeholders. But I would just like to put it on record, as we act today to sell off a part of Australia’s national character, that I find it unbelievably offensive that I do not have the time, as the representative of the people of my electorate, to go back to them and allow them to put their case to me.

The DEPUTY SPEAKER (Mr McMillan)—Before I call the member for New England, I thank the member for New England for facilitating my contribution in the Main Committee, which allows me to be here now, calling him on. I thank him for that courtesy, which I did not have time to do then.

Mr WINDSOR (New England) (11.38 am)—I am amazed that this motion relating to Snowy Hydro Ltd has come before this chamber today. I am sure many other members of this chamber were, like me, not aware that this was to happen. All of a sudden, on a very important issue we find that the removal of an asset of the Australian people is going to take place on the passing of a motion in this chamber. I listened to the member for Calare, and he made a very important point that this is a very important asset. It is not only an asset in terms of its dollar value but also an asset in terms of the Murray-Darling system and the Murray system in particular. It is an asset in terms of the future of one of our key environmental precincts: the ranges of the Snowy Mountains and the Snowy River. There are a whole range of interrelated factors that this sale could involve.

I am told—and I am open to persuasion here—that the agreement that is being contemplated here could essentially lock the environmental and water entitlement outcomes in place for the next 100 years. If that is the case, we are talking about a much broader debate than that of the sale of a garage block parked on the corner that a government—in this case, the New South Wales government—does not particularly need or does not particularly want. I do not believe that there has been nearly enough information put in the public arena or nearly enough debate within this chamber—or within the broader public domain—for us to be considering this motion at this point in time. I definitely will not be supporting this motion before the parliament.

I note that my Independent colleague from Victoria, Craig Ingram, has made certain
suggestions and complaints about the possible impacts on water entitlement holders, the environmental needs of the Murray system into the future and the way in which the full privatisation of the Snowy system could impact on other people further downstream in future. It brings to mind the Telstra debate. What we were told during the Telstra debate—and the President of the National Farmers Federation at the time said he had received guarantees—was that the government would lock in place, in legislation, equity of access to and pricing et cetera in broadband and telephone services for country Australians. No-one has seen that yet. No-one from the Prime Minister down will indicate where that actually appears. The Leader of the National Party made some obscure remark one day that it appeared in a statement that some senator had made in the Senate. We have been unable to find that statement.

Irrespective of that, a statement in the Senate is not law that binds a future owner to the delivery of certain services to country people—particularly if those services have not been invented yet. As we all know, this parliament—and I note with some interest the amendment that the Labor Party are putting up—cannot bind a future parliament to anything. It is not within its constitutional jurisdiction to do that. So it was fantasy, with the privatisation of Telstra, to say: ‘Don’t worry, it’ll be okay, it’s locked in legislation. We, the government of the day, can demand that the future owner or owners, either in the national or international interests, will deliver services, some of which haven’t been invented yet.’ I am sure we will see those utterances and commitments ploughed under in the decades to come as some new technology comes online. The demands from country people will be heard and the political system will say: ‘We don’t own that anymore. We don’t have the capacity to tell a private company what it can do. We don’t have the right to interfere with their capacity to borrow to provide services that are not viable in terms of their bottom line to country people.’

I think we are seeing another instance of that occurring in this motion in relation to the Snowy Hydro that is before the parliament today. There are so many unknowns about the Murray-Darling system that this is not the time to place into private hands an instrumentality that could have an impact on the environmental and water entitlement needs of that system. To reinforce that argument, we have recently had appointed by the Prime Minister a parliamentary secretary to look into the water issue. In recent years we have seen the formation of the National Water Initiative. In recent weeks we have seen great concerns expressed by people heading up the National Water Initiative that it is failing to deliver. Here we see a motion before the parliament to put into private hands an instrumentality that could have a dramatic impact particularly on the environmental and water entitlement needs. It could have a dramatic impact on the availability of water and the environmental and economic impact and effects that water may have downstream.

The Parliamentary Secretary to the Prime Minister, Malcolm Turnbull, has been asked to look at a whole range of issues. I will highlight a bit of the history of the water debate and why the National Water Initiative is failing. In 1995 the Commonwealth and state governments signed off on an agreement of the Council of Australian Governments on national reform. That reform was to embrace gas, transport, electricity and, very importantly, water. The states and the Commonwealth quite rightly, and I congratulate them, recognised, as the member for Calare mentioned a moment ago, that there is a need for a national view to be taken on water—and other things but particularly on water—that
crosses state boundaries and for a national solution to be adopted.

From 1995 to 2006 a whole range of intergovernmental and bilateral agreements have been made. We had the National Action Plan for Salinity and Water Quality. We had a whole range of things occurring. It all looked good and read well. We also had this process of water reform that was underpinned by two things, one of which the new parliamentary secretary is very interested in and the other one he is not so interested in. One was the establishment of a trading mechanism for water so that, under competition policy rules, it could be traded to its highest value use. That was the logic of 12 years ago. The other one that he is not so interested in—and I can understand that; he comes from a market driven background where people make profit out of selling things rather than producing them—is that a properly constituted and recognised property right be established. Those were the two basic pillars on which the COAG arrangements and the whole water reform process were underpinned.

Various ministers recognised that the National Water Initiative—which is really a rebadging of the old process—was not working. It was obvious it was never going to work when there were differences in trading mechanisms and security levels within the various states, differences in security levels between ground water and river water and the nontransportability of some of those waters—the incapacity of water to run uphill, for instance—and the impact of that on licences and the various market arrangements that you could put in place. It is becoming very clear that that market driven mechanism of 11 years ago that was talked about has not worked and is unlikely to work within the structure. The Snowy Hydro motion that we are talking about is a very important ingredient of that mechanism and the entitlements of that mechanism.

Since 2005, as I have said, we have had all of these utterances. The lever for the COAG process to demand that the states comply with those two basic pillars was to be the capacity to withhold national competition payments from the states. That was the lever. The Commonwealth was being the champion by bringing these renegade states together to formulate a national policy for the betterment of the nation and, if they did not do it, the Commonwealth would withhold those funds from them.

I have been accused in this place of having some sort of personal vendetta against the former Deputy Prime Minister, John Anderson, but one matter about which I have taken great issue with him—and I still do because I think he failed—is that he, the Prime Minister and others within the government allowed this constant flow of competition payments to the states without compliance with those two basic pillars that were set in place in 1995 and reinforced in every intergovernmental and bilateral arrangement, reinforced in the national action plan and reinforced in the National Water Initiative. We have gone through a whole series where we have run out of competition payments and it is all being renegotiated again. So I hope we do not go into this fantasy land again where the minister of the day says, ‘If they don’t do it this time, we’ll withhold their competition payments.’ So we have seen this farce.

I remember asking the Prime Minister some years ago about, I think, $300 million being handed over to the states to comply with the National Action Plan for Salinity and Water Quality, and the Prime Minister said that the property right issue would be addressed. We have heard for 11 years that it would be addressed. Now we see the new
parliamentary secretary is looking at that issue. There is a fear of the word 'compensation'. We have seen over that period property rights not being recognised. There is a mealy-mouthed phrase in the National Water Initiative and there is a mealy-mouthed phrase in the New South Wales Water Management Act 2000, to which there was an amendment in the New South Wales parliament only a few days ago to embrace this property right issue.

We have seen nearly $5 billion come through the federal system and be paid to the states when the major issue of reform that was talked about back in those days has not been touched at all. To be here today talking about a motion to sell one of those instrumentalities that has an impact on the downstream water entitlement holders of the Murray system is an absolute disgrace. Irrespective of whether or not New South Wales is stupid enough to sell this piece of infrastructure, the Commonwealth should not be compliant with it just because they believe that privatisation is a good idea, that the word fits with page 8 of the Liberal Party bible. That is not good enough. The National Water Initiative should in fact be that, not a National Party slush fund where $50,000 will be passed out to little community groups. The main focus of sustainability will pass us by, as it has over the last 12 years.

We have seen this absurd situation in the last few weeks where the government is taxing the compensation payments of ground water users. I implore the parliamentary secretary, Malcolm Turnbull, to look at the basic features of the National Water Initiative, look to do something about that, but look at those two pillars that were put in place. Unless you look at those pillars and recognise compensation for those who are going to lose an entitlement, the National Water Initiative will fail. (Time expired)
environment, community services and infrastructure, but why should you sell off the family silver in order to fix the mismanagement of your state over a period of years? To me it seems absolutely disgraceful to be selling off an icon such as the Snowy to satisfy the mismanagement of the government in New South Wales over a long period of time.

It is no secret in this House that I am anti-privatisation. I did cross the floor to vote against the sale of Telstra because we as a government were selling the controlling shares of Telstra. I will not be crossing the floor today if there is a vote called on this motion because the government has only 13 per cent of the shares in this company—it is not selling the controlling shares—but I do want to record in the strongest terms my objections to this sale. As I said, there are many reasons, but two primarily, that confront us. As my constituent says:

Selling the Snowy will soon create irreconcilable conflicts of interest between each of the shareholders, irrigators, environmental needs, electricity generation, recreational users, tourist operators and country towns downstream. It will perpetuate existing conflicts.

As it is impossible to foresee every future contingency no present financial, operational, political or environmental contracts will suffice.

I certainly agree with my constituent in that regard. As he writes:

There is only one Snowy Mountains in Australia, one water runoff from them and one Snowy scheme, which is unique and cannot be repeated, duplicated or replaced.

The three government owners, each for their own reasons, are selling this very significant icon off. I would like to bring into play at this point in time the book called Snowy: The Making of Modern Australia by Brad Collis. It is an extremely poignant and pertinent history of the Snowy. It brings to you the sense of pride and the heartfelt strength of unity that was able to be brought about because of the devastation in Europe after the war. Hundreds of thousands of people were displaced. We had great cities being turned to rubble. Millions of people were homeless, starving and facing a bleak future.

After World War II and the devastation in Europe, across the other side of the world Australia—an emerging nation with a limited population—had a dream and a vision. The vision was to secure Australia’s sustainability, acknowledging the requirement for electricity and water. Chifley got a cable from the United Nations which asked whether he would accept 100,000 displaced people. Chifley threw his hands in the air and said: ‘My goodness, 100,000? What an enormous number of people to bring in.’ But his government had dreams and aspirations, and he asked questions: how do we harness the snow from the Alps? How do we bring that into a contributing process to ensure the sustainability of Australia? How can we harness water to provide us with electricity? More importantly—and there was some argy-bargy between the states and the Commonwealth on this—how can we deliver irrigation to the Murrumbidgee, the Murray and other areas across Australia that can provide us with production for domestic and export benefits for the people of Australia?

The request from the United Nations coincided with Australia’s desire to build the greatest vision, the greatest dream. Chifley, in his wisdom, decided that tens of thousands of people from Europe’s razed cities and refugee camps could begin a journey that would transform not only their lives but the face of an entire nation. We saw allies, oppressors and victims working together to build the nation of Australia. On the cover of this fabulous book Snowy: The Making of Modern Australia—and I commend it to everybody—we see the epitome of what this is all about. It says:

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CHAMBER
The Snowy, the making of modern Australia, celebrates one of the most dramatic and inspiring episodes of modern Australian history. It is a tribute forty years on to the vision behind the scheme, the expertise of its designers and the tens of thousands of workers from more than thirty different countries who made it possible.

I quote again:
The Snowy Mountains Hydro-Electric Scheme began in 1949, was twenty-five years in construction, and remains one of the world’s greatest engineering and social achievements. Many of the workers who poured into that rugged mountain frontier in a strange new land to build new lives for themselves and their families had recently been enemies in the most devastating war the world had ever seen. They created, under extraordinary hardship and isolation, one of the wonders of modern engineering and sowed the seeds of an entirely new society.

I stand before the parliament today in the recognition that my irrigators councils believe that the privatisation of the Snowy will mean no difference for the water entitlement holders in my electorate. I can only take them at their word that they have discussed this, that they have investigated this fully and that that is why they support it.

My irrigators—Murrumbidgee Irrigation and others—say they widely support this sale and that it will not have an adverse effect on water entitlement holders in my electorate. I can only take them at their word that they have discussed this, that they have investigated this fully and that that is why they support it.

I discovered that this motion was on the table when I walked past a television, and I wondered what was happening. I have now had an opportunity to put on record my strongest opposition to any sale of the Snowy and my strongest opposition to selling into private ownership 58 per cent of the entire Snowy network to fund mismanagement by successive governments in New South Wales. I oppose it vehemently—as, I believe, will the majority of people in my electorate—because the Snowy is about more than just selling the family silver to enable the New South Wales government to make promises in the lead-up to the next election to retain office. I thank the House for this time to enable me to put on record my objection to this sale.

The DEPUTY SPEAKER (Mr McMillan)—Parliamentary Secretary, do you wish to speak in reply to the debate?

Mr Pearce—No.

The DEPUTY SPEAKER (Mr McMillan)—The question is that the member for Melbourne’s amendment be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER—As there are fewer than five members on the side for the noes, I declare the question resolved in the affirmative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question agreed to, Mr Andren and Mr Windsor dissenting.

The DEPUTY SPEAKER—The question now is that the motion, as amended, be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER—As there are fewer than five members on the side for the
noes, I declare the question resolved in the affirmative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question agreed to, Mr Andren and Mr Windsor dissenting.

COMMITTEES

Members’ Interests Committee

Report

Mr CIOBO (Moncrieff) (12.13 pm)—As required by resolutions of the House I table copies of notifications of alterations of interests received during the period 8 December 2005 to 29 March 2006.

Privileges Committee

Report

Mr CAMERON THOMPSON (Blair) (12.13 pm)—I present the report from the Committee of Privileges concerning an application from Ms Frances Teirney for the publication of a response to a reference made in the House of Representatives.

Publications Committee

Report

Mrs DRAPER (Makin) (12.14 pm)—I present the report from the Publications Committee sitting in conference with the Publications Committee of the Senate. The report includes a list of agencies that have not complied with the requirements for the 2003 Parliamentary Papers series. Copies of the report are being placed on the table.


HEALTH LEGISLATION AMENDMENT (PHARMACY LOCATION ARRANGEMENTS) BILL 2006

THERAPEUTIC GOODS AMENDMENT BILL 2005

BANKRUPTCY LEGISLATION AMENDMENT (FEES AND CHARGES) BILL 2006

BANKRUPTCY LEGISLATION AMENDMENT (ANTI-AVOIDANCE) BILL 2006

MINISTERS OF STATE AMENDMENT BILL 2005

Returned from the Senate

Message received from the Senate returning the bills without amendment or request.

POSTAL INDUSTRY OMBUDSMAN BILL 2005

Consideration of Senate Message

Message received from the Senate informing the House that the Senate has agreed to the amendment made by the House.

ELECTORAL AND REFERENDUM AMENDMENT (ELECTORAL INTEGRITY AND OTHER MEASURES) BILL 2005

Second Reading

Debate resumed from 29 March, on motion by Dr Stone:

That this bill be now read a second time.

upon which Mr Griffin moved by way of amendment:

That all words after “That” be omitted with a view to substituting the following words:

“this Bill be withdrawn until undemocratic provisions that:

(1) reduce the period of time Australians have to enrol to vote and update their details on the electoral roll;

(2) introduce new proof of identity requirements;
(3) increase the disclosure thresholds to $10,000; and
(4) increase the tax-deductibility of political donations
are removed”.

Mr TUCKEY (O’Connor) (12.15 pm)—
In the three minutes in which I spoke last night I referred in very brief detail to the amendment proposed by the opposition which related to the issues covered in the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005 and which they thought should be withdrawn. The first issue is:

(1) reduce the period of time Australians have to enrol to vote and update their details on the electoral roll;

When we look at the legislation which is subject to amendment and conditions that, to the best of my knowledge, have applied over the 25 years I have been in this place, we come to section 101 of the Commonwealth Electoral Act, ‘Compulsory enrolment and transfer’. It has always been the case that we have had compulsory voting and compulsory enrolment. We have a compulsion that says that people will give advice to the Electoral Commission about any change to their residential address, particularly as it relates to change of electorate. Part VIII, subsection 101(6) makes this very clear. It says:

A person who fails to comply with subsection (1), (4) or (5) is guilty of an offence punishable on conviction by a fine not exceeding 1 penalty unit.

We have the constantly recurring argument about closing people’s right to enrol or giving details of changed residential address that, somehow or other, they all choose to do so, but they have an obligation under a long-standing section of the existing Electoral Act. Subsection 101(4) says:

Subject to subsection (5A), every person who is entitled to have his or her name placed on the Roll for any Subdivision whether by way of enrolment or transfer of enrolment, and whose name is not on the Roll upon the expiration of 21 days from the date upon which the person became so entitled, or at any subsequent date while the person continues to be so entitled, shall be guilty of an offence unless he or she proves that the non-enrolment is not in consequence of his or her failure to send or deliver to a Divisional Returning Officer or an Australian Electoral Officer, a claim, duly filled in and signed in accordance with the directions printed thereon.

Note: A defendant bears a legal burden in relation to the defence in subsection (4) (see section 13.4 of the Criminal Code).

The argument that everybody is entitled to rush up and top-load the Electoral Commission after the calling of the writs is an argument that people should be encouraged to break the law. The only people who have a reasonable argument for enrolling after the writs have been issued—in amendments the government is also proposing to clarify this issue—are those who were unable to enrol on a previous occasion, and they are in a considerable minority. In fact, under existing legislation, if your circumstances are such that you turn 18 after the calling of the writs, you had the opportunity when you were 17 years old to lodge an advance application. What a hoo-ha that 80,000 young people will be denied because they have been delinquent in meeting their obligations under the act as it is written. That is silly and wrong, and it virtually encourages people to break the law as it exists.

Then we get to introduce new proof of identity requirements. As I pointed out briefly last night, the new legislation does virtually no more than introduce requirements—requirements which young people have become quite understanding of and quite used to meeting—to produce some form of evidence, particularly of their age, as they do to get into the local nightclub, or, if questioned, produce such documentation that proves their age, in particular. So we have it at the local pub, but it is considered unre-a-
reasonable when someone seeks to be enrolled or to otherwise have to prove their identity in another category, which I will refer to in a moment.

I am reminded of questions without notice directed to the then Special Minister of State, Senator Ellison, on 27 November 2001. It is pretty interesting stuff because it refers to the Queensland scandal. The ALP was enrolling people falsely to improve its opportunities to branch-stack in Queensland. If anybody needs protection from claims of false identity, it appears that the Labor Party should be the first cab off the rank. The Labor Party had this massive scandal in Queensland. That scandal resulted in the resignation of Jim Elder, who was Deputy Premier of Queensland, because he became mixed up in this identity scam. The Shepherdson inquiry had to extend its terms of reference to enable it to conduct an investigation into alleged official misconduct ‘which constituted a criminal offence or offences by Peter James Elder in respect of matters affecting the electoral roll,’ the CJC said.

Then we find there are other identities: a Mr Mike Kaiser, former ALP secretary, and Mr Gary Fenlon. It was stated the ‘Mr Powell has accused Mr Fenlon of providing addresses of safe houses where voters could be illegally enrolled.’ This was because the ALP—I think quite properly—wanted to know that people who were enrolled in branches actually lived within the area of the branch of which they were entitled to be a member. I would think a few people who have been under a bit of pressure in other parts of Australia recently where allegations of branch stacking have arisen would be comforted to know that this new legislation will prevent that form of branch stacking in the ALP.

However, it goes a bit further when it comes to identification and to another problem associated, presumably, with provisional voting—vote early and vote often. Another answer was given by the then Special Minister of State on 6 November 2000 in the Courier-Mail, wherein the Special Minister of State pointed out that a Labor official, ‘a member of the 1987 federal election campaign team, has revealed that he and other ALP supporters cast numerous votes for Mr Lavarch and other ALP candidates in state and federal elections by illegally impersonating people’. This is evidence. In the Courier-Mail’s expose, he gives an example of how Labor went about rorting the electoral process. The article states:

On polling day in Fisher, he recalls, there were many female names on the rort list, but a lack of women in on the scam. “But we got one young girl of 16 from Young Labor who thought it was quite exciting. She voted 14 times.”

These answers were given in the parliament without being rejected, without it being said that they were not true. The scam works like this: a trusted inner circle of campaign workers compiles lists of voters who have left an electorate but are still listed as enrolled there. Labor supporters then cast votes in those names on polling day. In some cases, they cast ballots more than a dozen times.

One has to look at Jehovah’s Witnesses and others who have a concern about casting a vote and who simply do not. The opportunity exists for someone to go along and join and to express support for their particular religious beliefs. They can get to know the lot and then turn up on polling day and vote for them. There are some very interesting statistics, which I remember but cannot quote in detail, about the year when the member for Brand was under severe pressure—I think it was in 1996. In fact, it was recorded and admitted by the Electoral Commissioner that a massive increase in provisional votes were cast under that system, which was virtually one where a person could turn up and
say, ‘I live in Smith Street and I’m not on the roll.’ They would be given a provisional vote and be counted without further checking, as long as they had signed a stat dec.

In that 1996 election, when the polling was telling Labor that one of their senior people was at risk of being defeated in the electorate of Brand, there was almost a trebling of provisional votes. Although there had been a trend right across the polling booths in favour of the Liberal candidate, who was leading on the count, 80 per cent of the provisional votes, when counted, went to Mr Beazley, the member for Brand. That had not been the trend. You would think at least that, if these people lived in various areas and sought a provisional vote, their voting intentions would be consistent with those of other people. It is a statistical fact that one would anticipate. It is an interesting point that provisional votes tend not to run in that direction. But to see the Liberal candidate leading by 51 per cent on the primaries and suddenly, on the emptying out of the provisional box, it goes 80-20 against her, you have to start to ask a few questions.

This legislation sets out to make that significantly more difficult and, in fact, to ensure that the votes are not counted unless the person claiming that provisional vote produces evidence, firstly, of where they live and, secondly, that they are who they say they are. It also requires that those votes will be set aside if those circumstances are not met on the spot, and they will not be counted until there is adequate evidence to support that person’s claim for a vote.

Why do these things have to be attacked? Why would the opposition wish to have these matters withdrawn? In the time remaining to me, let me also repeat what I said about the increase in the disclosure threshold to $10,000. There are two major political parties. One group is supported openly by the trade union movement with tens of millions of dollars. That is seen as being transparent. Of course, the results of recent preselections show that the influence of that money is such that 50 per cent of the preselection votes cast for individuals are virtually held by the trade union movement.

That influence is demonstrated here every day. It may be that the people who comply with those instructions believe they are doing the right thing. They have come from those institutions and they come to this place to promote those particular commercial interests—and they are commercial interests. All those people out there in the movement are making a living out of their line of philosophy, if you like. They are very upset at the moment that their services may be seen as being less necessary to many workers. Maybe they will be more necessary; if all the predictions they are making about where workers will end up come true, there will be a pretty interesting situation in that everyone will want to join.

The reality is that we on this side rely significantly on personal donations in order to put our case to the people as to how we would better run the country. The problem has been that small business people say, ‘Hey, if I have a declaration that I’ve donated to you, an instruction goes out’—and I have seen this happen in a town called Collie that I once represented—‘and people are told not to shop at our shop by trade union people.’ Alternatively, a strike might be called in their business. You cannot do it. People are entitled to make a donation, and you do not buy support from the Liberals for $10,000 or $1,000. (Time expired)

Mr SNOWDON (Lingiari) (12.32 pm)—Mr Deputy Speaker McMullan, we have had this debate here in the past, as you well know. The last time I spoke on this legislation in its previous iteration was in May
2004. At that time I described the proposals as a thinly veiled attempt by the government to disenfranchise people who they believe might not otherwise support them. I remain steadfastly of that view. The matter of funding is important, and if I have time I will address it. But the key issue in this debate is participation. The spirit of the Commonwealth Electoral Act is the enfranchisement of the citizens of Australia to exercise their democratic rights. The proposed changes are a complete repudiation of this spirit. In fact, they constitute, in my view, a denial of fundamental rights.

The government tell us they are presenting the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005 to ensure the integrity of the electoral roll and the electoral process. They need to be reminded that the integrity of the electoral roll is based on the right to be enrolled and the right to vote. This bill attacks those rights in the grossest of ways. The argument about electoral integrity is a smokescreen for the government’s attempts to marginalise those Australians who they believe will not vote for them.

This debate presents a good opportunity to remind the House and the government of Australia’s obligations under the International Covenant on Civil and Political Rights, because in my view this bill breaches them. The ability of a person to cast a vote and have a say in choosing their government is, after all, a fundamental human right. Article 25 of the covenant provides:

Every citizen shall have the right and the opportunity, ... without unreasonable restrictions:
(a) To take part in the conduct of public affairs, directly or indirectly, through freely chosen representatives;
(b) To vote and to be elected at genuine periodic elections which shall be by universal and equal suffrage and shall be held by secret ballot, guaranteeing the free expression of the will of the electors;

Frankly, I am most concerned that this legislation breaks that obligation under article 25. This bill represents a violation of the fundamental rights of Australians to participate in their democracy. Under the proposed amendments, the burden of obtaining proof of identity or a prescribed witness in order to enrol will fall clearly and disproportionately heavily on non-English speakers, Indigenous Australians, young first-time voters, itinerants, and people who live in remote areas, due to language, cultural, bureaucratic and/or other geographical issues.

I am concerned about the removal of voting rights for people serving full-time prison sentences of any length. This is something that I take to be a flagrant breach of the ICCPR. I am very concerned about the proposal to reduce the close of rolls period. There is always a rush for people to get on the roll or update their enrolment. These new measures will make it even harder for people to get on the roll. The government agree that there is a rush to enrol once an election is called. The AEC agree. It is always a busy time, but the government response to avoiding the rush is simply to stop people enrolling.

That, in my view, is fundamentally undemocratic. It is a clear violation of the right and opportunity, without unreasonable restrictions, to vote and be elected at genuine periodic elections. These new provisions are a clear recipe for the disenfranchisement of Australians come polling day. The best way to protect the integrity of the electoral roll is to ensure that the Australian Electoral Commission is truly independent and has the resources to maintain an accurate and up-to-date roll at all times. Yet, one of the first actions of the coalition government when elected in 1996 was to cut the AEC’s Aboriginal and Torres Strait Islander Electoral
Education Service. The effect was to reduce the number of field officers employed by the Australian Electoral Commission. As well as working on maintaining the roll, these officers provided invaluable education programs to encourage participation in the democratic process.

The coalition want to make it harder for citizens to get on the roll and vote on polling day. They want to create an atmosphere of mistrust and confusion and to alienate voters. Their claims of protecting the integrity of the electoral system are simply a smokescreen.

Election after election, the official reports of the Australian Electoral Commission find no evidence of voter rorting. It exists only in the twisted minds of those who want this process restricted. The AEC wrote in October 2001 in *Electoral Backgrounder*:

> ... there is no evidence to suggest that the overall outcomes of the 1984, 1987, 1990, 1993, 1996 and 1998 federal elections were affected by fraudulent enrolment and voting.

It warned:

> ... ill-informed and biased criticism of the electoral system ... has the potential to undermine public confidence in the integrity of democratic processes and the legitimacy of governments.

On balance this bill will do more to harm the right of Australians to vote than it will to protect the electoral processes from fraud and multiple voting. The Commonwealth Electoral Act should serve the people of Australia by making it simple and straightforward for people to get on the roll and stay on the roll. We need to give the AEC the resources to maintain the integrity of the roll rather than strip the rights of Australians to vote.

I have grave fears for the people of my own electorate of Lingiari should this bill be passed. Lingiari is sparsely populated and covers an area one-sixth of Australia’s land mass—an area of 1.34 million square kilometres. The electorate includes the Indian Ocean territories of Christmas Island and the Cocos (Keeling) Islands. The electorate has a substantial Indigenous population, with 45 per cent of the people counted in the electorate in the 2001 census identifying as Indigenous. The census also identified a younger population compared with other electorates. For many in the electorate of Lingiari and for the bulk of the Indigenous population, English is a second or even third or fourth language.

In Lingiari in the 2004 federal election approximately 45 per cent of votes cast were cast at mobile polling booths. The turnout of voters in communities serviced by mobile teams was 56.07 per cent; the total turnout was 78 per cent of enrolled voters in the electorate. The informal vote at the static booths in the towns was four per cent; the informal vote for the mobile booths was 7.5 per cent; and the informal vote overall was 6.8 per cent.

You do not have to be too smart to appreciate that, based on that data, there is a real issue with ensuring greater participation of people in the electorate in the voting system and ensuring that when people participate they have the skills to vote correctly. These amendments in no way address these more important objectives of our democratic system. What they will do, on the other hand, is minimise the opportunity for Indigenous people to vote. Not only will we get fewer voters turning out, but a larger proportion of the votes will be informal.

That is what they desire. It is a fundamental political objective to minimise the role of Indigenous people in the voting system—in the Northern Territory, at least. They know why that is: based on the results from those mobile polling teams and across the Territory generally, 75 to 80 per cent of Indigenous people vote for the Labor Party and not the
government. That is what it is—crude, simple politics.

I will just make an observation. If the changes to the closing of the rolls proposed by this bill were in effect prior to the 2004 election, 3,749 people in the Northern Territory who made new enrolments or who transferred or updated their enrolment in the seven days following the announcement of the election would have been excluded from voting. That is the impact of this legislation.

In terms of young people, in the lead-up to the 2004 election there were 835 new enrolments in the NT. When the changes this bill proposes were discussed in 2004, I was sent a letter by the Youth Action and Policy Association, which stated:

We believe that this bill will effectively exclude thousands of young people from voting. It has been well established that young people 18-24 years have the lowest enrolment figure of any eligible age group. According to recent information from the AEC, only about 60% of 18 year olds are currently enrolled to vote.

It has also been proven that young people are far more transient than other age groups and often leave their enrolment to the last minute. Young adults having reached the age of independence, are often moving out of home, or between rental accommodation due to their employment and education prospects.

We believe that this bill unfairly targets young people and will effectively limit the political voice of young people across the nation. In the first week of the 2001 election campaign, 83,000 first time voters signed up in the 7 days after the election was called ...

If this legislation had been in place in 2001, what proportion of those 83,000 would have actually cast a vote? My guess is that close to 80 or 90 per cent—perhaps 70,000 or 80,000 of those young people who enrolled to vote at that time—would not have been able to vote. This is a recipe for undermining the democratic rights of Australians.

Indigenous Australians in remote locations often do not have equitable access to services like regular mail—they might have a twice-weekly mail service if they are dead lucky—to be able to send enrolment forms or receive correspondence about their enrolment from the AEC. That is if they are aware of what their rights as citizens are. Because of the abolition of the education service that was in place prior to 1996, a lot of young Indigenous people will not know of their obligations as citizens and how they are to enrol to vote. The government took no cognisance of this when it drafted this legislation or, if it did, deliberately chose to ignore it and instead pursued the objective of ensuring that these young Indigenous Australians do not get the right to vote.

Many of those people in the Northern Territory in particular have poorer literacy and numeracy skills arising as a direct result of decisions taken by the government to limit their access to education. They are extremely disadvantaged young Australians. To illustrate this, only 34 per cent of Indigenous year 5 students in the Northern Territory achieved the national reading benchmark compared to 71 per cent of non-Indigenous students. I have reservations about benchmarking, but this figure clearly reflects the disadvantage Indigenous people are at when it comes to participating in the electoral process in terms of literacy and understanding the forms they will be required to fill in. The disproportionately high number of Indigenous people in jail, which I will refer to later, is also of concern. Then there is the issue of Defence Force personnel. Defence Force career rotations mean that personnel are constantly transferring between states. In the Northern Territory the number of enrolments transferred between states in the seven days before the 2004 election was 1,439.

Enrolling people and their staying correctly enrolled in the seat of Lingiari presents
unique challenges for the AEC. You only have to observe the conditions which prevail in northern Australia at the moment with cyclones. Extreme cyclonic conditions, poor transport infrastructure, lack of telecommunications, ceremonial obligations for Indigenous people, death and other factors can cause large numbers of voters not to be present in their normal community of residence when elections are called. Given the large size and mobile nature of the population, maintaining an accurate electoral roll and conducting elections presents a challenge not found in the majority of other electorates across Australia.

It is absolutely irresponsible to propose the closure of rolls effectively at 8 pm on the day of the issue of the writs for an election. What this will do is disenfranchise thousands of Australians, particularly Indigenous Australians, who live in remote communities. The government makes no apology for that because it is a deliberate policy objective of this legislation.

This government has deliberately chosen to limit and weaken the AEC’s ability to fulfil a meaningful educative role. This is an absolute scandal and an indictment of the Howard government’s treatment of people that live in remote communities. Prior to 1996, when the government got rid of the Aboriginal and Torres Strait Islander Electoral Information Service, there were 16 full-time officers working on educating and enrolling people across remote communities, including three employed in the Territory. Their positions no longer exist. Who is to undertake this role?

The main population centre in the electorate of Lingiari is Alice Springs. It has no permanent AEC presence. AEC field officers, based in Darwin, are active in the electorate given that within Lingiari there are some 66 local government authorities, with many servicing small, isolated outstations, plus the special lease communities of Yulara and Jabiru. Given the mobility of the population it is difficult for the field officers to have contact with voters and potential voters from one election to the next. This is an indictment of this government. It is especially difficult for Indigenous community members to be aware of enrolment obligations and procedures and to have opportunities to enrol at the age of 18.

The member for O’Connor, in his contribution, said that people under the age of 18 were delinquent under the act if they were not enrolled. This government is delinquent. It is delinquent in not providing Indigenous Australians and people under the age of 18 with an opportunity to understand their obligations as Australian citizens to vote. If no one has told them about their obligations, if they are not taught about their obligations, how do they get this understanding? Does it just come through the ether? Somehow or another, in walking around the community, it will be infused into their brains that they have got to enrol to vote and they have got to know how to vote. How is this to happen? This makes an absolute mockery of this government’s belief in democracy. The government espouses our virtues as a nation of spreading democracy across the world, giving people the right to vote; but, on the other hand, through this very piece of legislation, it is taking away the right of many Australians to vote and to participate in the democratic processes that we expect all Australians to participate in as Australian citizens. That is an absolute indictment of this government.

I am very concerned about this. I spoke before of my concerns about people in prisons. Let us look at the target group here. In the case of Lingiari, we know who the target group is: Indigenous Australians. This bill will be particularly discriminatory to Indigenous people in incarceration. Let me give the
House a snapshot of the circumstances of Indigenous Australians in jail. The majority of Indigenous prisoners in Australia are serving sentences of less than three years. Twenty per cent are serving six months or less, 24 per cent are serving six to 12 months, 42 per cent are serving one to five years and 16 per cent are serving five-plus years. In the Northern Territory about 80 per cent of the prison population at any given time is Indigenous. Think about it: 80 per cent. The Indigenous rate of imprisonment is 1,687 persons per 100,000 Indigenous adults. The non-Indigenous rate of imprisonment is 158 persons per 100,000 adults. Between 2002 and 2003 the Northern Territory recorded the largest proportional increase—21 per cent—in the Indigenous imprisonment rate.

Regardless of what these people have been sent to prison for, they are being targeted by this legislation. They will be denied the opportunity to participate in the democratic processes. This, in my view, is an absolute denial of their fundamental rights as Australians and in breach of our obligations under the convention I read out earlier. This denial of fundamental rights, as I have said, reflects the sinister intention of this government to rub out the voice of those people who will not vote for them.

Mr JOHNSON (Ryan) (12.52 pm)—I am pleased to speak in the parliament today on the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005. At the outset, I reject and repudiate in the strongest terms the previous sentiments and remarks of the member for Lingiari. The Australian people have elected the Howard government on four occasions now. They have elected us because we are in the business of reform, we are in the business of implementing measures that make a difference to their lives, we are not beholden to or hijacked by any interest group and we are not at the mercy of any individual Australian or any group of Australians that clamours for political support exclusively. We are elected to govern in the national interest and this bill is part of the ongoing reform which modernises the electoral system, bringing it into the 21st century and making it more user-friendly and more in the interests of this country.

The bill responds to a number of priority recommendations of the report of the Joint Standing Committee on Electoral Matters following the inquiry into the conduct of the 2004 federal election and matters related thereto. It will address a range of issues, which can broadly be seen as covering three areas: disclosures and authorisations relating to political expenditure and political donations, Australian Electoral Commission requirements and voting integrity. These are three important areas which underpin the validity, the integrity and the legitimacy of the Australian electoral system.

The fundamental and simple purpose of this bill is to update, modernise and bring our electoral system into line with our changing and modernising world. Australia cannot stand still on the economic, industrial or social fronts and neither can we stand still when it comes to strengthening our institutions. This legislation modernises our electoral system and gives it great credibility and integrity.

Current electoral laws need to be updated if we want our electoral system to continue to have the respect of the Australian people. With technological changes there will continue to be great challenges to overcome and we must ensure that our electoral system is able to meet the challenges that technology brings.

One of the reasons the Australian Labor Party continue to languish in opposition is that they just cannot accept that times move
on. We live in a world where technology changes our lifestyles, the way that business is conducted and the way government can best perform its duties and carry out its responsibilities. Until the Australian Labor Party can get some inkling of the notion that we are no longer living in the age of the dinosaurs, in an age that is irrelevant to current-day Australia, they will continue to languish in opposition.

Currently, electoral laws allow for political donations of up to $1,500 before disclosure of the donation is necessary. This amount harks back more than a decade to 1992. It is now 2006, of course, and I think that seriously reflects the need for reform. If you compare what $1,500 was worth in 1992 with what it is worth today, you can measure the great difference.

The bill will increase the disclosure threshold from $1,500 to $10,000 with legislated CPI increases. This is a far more realistic figure and is on par with many nations that share our democratic system of government—such as the UK, where the disclosure threshold is £5000, and New Zealand, where the disclosure threshold is $NZ10,000.

Our current political structure is such that we, as members of the federal parliament, depend on financial support to carry out our campaigns. We need to get the support of the community, of business and of those who subscribe to our respective political and party views and philosophies and, in particular, our policies. We have to be realistic and to acknowledge that we do need extra support to help us in our campaigns to promote our re-elections, as may be the case. Any donations to individual members of parliament or political parties go into legitimate accounts that support specific campaigning purposes; they do not go into any secret Swiss bank accounts and they certainly do not go directly into the pockets of members of parliament.

In a democratic nation we cannot utilise the public purse in an unlimited fashion. In a democratic structure, as part of the social contract between the elected representatives and the citizens of a country, there is capacity for this transaction to take place in a legitimate, legal fashion. Taxpayer funding goes into our electoral work; taxpayer dollars go into offering services for the community, representing the community and consulting in the interests of our constituents and our local communities. Political donations have fallen over the last few years but the costs associated with campaigning continue to increase.

It has often been said that democracy is certainly not perfect but in an imperfect world it is the best system that mankind has to offer. It gives people a direct stake in their nation and in the elected representatives of their country. There is no other country that I would wish to be a citizen of. If you look around the world, the countries that have flourished economically and have given their people every opportunity to be empowered and to maximise their lives have been those that have subscribed to a democratic and representative system of government and politics.

Businesses, entities and individuals support individual members of parliament, or those campaigning as candidates, because they support their objectives, their policies or their vision, as the case may be, irrespective of what side of politics one happens to be on. Aren’t we better off increasing the threshold for donations to encourage donors? The fewer political donors we have, the more politicians will possibly be relying on a small number of donors. Keeping this change in mind, the threshold for tax deductibility for
political donations will also be increased from the current $100 to $1,500.

A related issue is the current requirement for publishers and broadcasters to disclose political advertising returns. This is a task that is already undertaken by the individuals and organisations that authorise these advertisements as required under the Electoral Act. The bill will remove the redundant requirement on publishers and broadcasters to disclose political advertising returns. What is the need to duplicate this role when this has already been undertaken? It is an extra expense and an extra administrative cost on publishers and broadcasters that serves no real purpose. We have to minimise—and, where possible, eliminate—the red tape and bureaucracy that are the cause of delays and difficulties for businesses.

One of the most obvious issues with the current Electoral Act is that, unlike print, radio or television advertising, political advertising on the internet does not need to be authorised. This omission has come about because of technological changes, but the status quo should not be allowed to persist. I want to mention one of the examples that I referred to earlier where technology has moved on and the system has not caught up with it. We have to bring the system in line with technology as far as is humanly possible.

This bill will introduce regulations that will treat political advertising on the internet like all other political advertising, requiring it to be properly authorised. It is only right that all political advertising be correctly and fully authorised so that readers, viewers and listeners are fully informed about the sources from which the information originates. The Australian public deserves to know the identities behind political advertising. We would not want a situation in which there is scope for fraudulent misrepresentation by aspiring candidates or political parties of whatever political persuasion. This also holds for the issue of third parties who engage in political campaigning. Under the new legislation, these third parties will be required to lodge annual disclosures for political expenditure, including advertising outside campaigning times.

As I mentioned, the integrity of the electoral system is at the heart of this bill. The second area that the bill is aimed at is therefore giving greater validity to our voting system. The bill will reduce the close of roll period currently in place. Unenrolled voters will have until 8 pm on the day the writ for the poll is issued to submit their enrolment. Enrolled voters will have three working days to update their enrolment. Australian citizens are required to enrol to vote when they become 18 or take up Australian citizenship. We are also required to keep details with the Australian Electoral Commission up to date and accurate. This is an ongoing responsibility, not just something that should creep up on Australians whenever an election might be called. By closing the rolls at this time, there is ample time for the Australian Electoral Commission to enter data and verify details before the election. During the 2004 election, the AEC was required to make almost 400,000 new enrolments or changes to enrolments from the time the poll was called to the close of rolls.

Also crucial to the integrity of our voting system is the introduction of proof of identity requirements when enrolling to vote or voting as a provisional voter on polling day. It stands to reason that Australians who wish to demonstrate their right to vote should prove that they are legitimately and legally entitled to vote. I cannot for the life of me understand why, as has often been said, it is much more difficult to take a video out from a video store than to go and vote in the name of
someone else and defraud and devalue the integrity of our democratic process.

Currently, naturalised Australians are the only people required to provide extra proof of identity to the AEC. Naturalised Australians are required to write their grant numbers on the application for enrolment. I cannot see why naturalised Australians are singled out by our political system to be scrutinised in this manner when no other citizen has to provide this proof.

We in Queensland recall the notorious Shepherdson inquiry, with high-level members of the Queensland Labor Party found to be deeply enmeshed in electoral fraud—tampering with the electoral rolls, forging enrolments and making false enrolments. Senior people in the Labor Party were called to account for it in a most shameful way. They were called to account by legitimate authorities. The Labor Party continues to hang its head in shame over that episode.

These violations in our electoral system went all the way up to the Deputy Premier at the time, Mr Jim Elder. He gave evidence at the inquiry indicating that these practices were widespread in sections of the ALP. These violations were documented as stretching back to at least the mid-1980s. The hypocrisy of the Australian Labor Party knows no bounds. Those members of the Queensland ALP—I mentioned Jim Elder; there was also the then member for Woodridge, Mike Kaiser—might have forfeited their seats in parliament at the time, but the bottom line of it all is that they were defrauding and ripping off every Queenslander’s right to vote. They were thumbling their nose at the great honour and privilege it is to go into a polling booth and vote for one’s party or candidate of choice.

Enrolment is the right and responsibility of all Australian citizens who are eligible. We cannot let this right, this privilege—indeed, this honour—be sullied or tarnished by fraudulent actions. There must be no leeway whatsoever in this. No Australian must feel that their vote is cheated or means less than any other person’s. The simple requirement to provide a driver’s licence number or something similar is, I think, not too much to ask to ensure the legitimacy of our electoral system. It would allow for cross-checking so that irregularities or problems could be brought to the surface. It is the least we can do to ensure that each Australian’s right to vote is not eroded or diminished in value by those who would defraud our system of government and our system of democracy.

The same principle stands for provisional voting. During the last election almost 30,000 provisional votes were accepted where the names of the voters were later not able to be found on the electoral rolls. Thirty thousand provisional votes is no small number of votes. A simple requirement to provide proof of identity safeguards our electoral system.

Prisoners serving a full-time detention sentence have been stripped of their right to vote. Those on remand, on periodic detention, on parole or serving non-custodial sentences will continue to have the right to vote. It is the view of the Howard government that people who commit serious offences against society, against the community, should forfeit their right to vote; that if their actions, their conduct and their crime against their fellow Australians or against their society warrant a prison term then it should follow that their entitlement to vote should not continue. I think most Australians would agree with the government on this point. I think many Australians would feel astounded to think that someone who has committed a crime against society or against an individual and has forfeited their freedom—which is a very precious thing, of course—would still
have the same voting entitlement as other, law-abiding citizens.

I now want to talk about changes to the AEC. Another important amendment will see a requirement for AEC offices to be located within the division they represent unless specific approval is provided by the minister. This is particularly pertinent in my electorate of Ryan. We had a divisional office—and a number of other electorates in Brisbane were also in that situation—but that office was removed from the Ryan electorate. In early 2004 the AEC centralised many of its offices and relocated.

In the case of Ryan, this occurred just two weeks before the state election, so my office was flooded with constituents who were greatly inconvenienced. The prospect of having to travel all the way into Brisbane city after they had already travelled to Indooroopilly was immensely annoying and frustrating. With three elections in Brisbane that year, including the national election, this terrible timing caused enormous problems for Ryan residents. Now, rather than being able to attend to electoral matters locally within their own electorate, constituents of Ryan and those in a number of other electorates must go into Brisbane to resolve these issues.

Other changes include an increase in nomination deposits for candidates and allowing limited access to the electoral roll for commercial purposes. This will be restricted to organisations that are required to verify a person’s identity under the Financial Transactions Reports Act 1988. Commercial access will be allowed for this purpose and for this purpose only.

I very strongly commend the bill to the parliament. I think it will have the overwhelming support of my constituents in the Ryan electorate. Democracy in Australia is a century old. Commonwealth citizens in the nation of Australia were given their right to vote in 1901. It is a great privilege to be living in a democratic nation, in a system where one can elect a government or throw a government out as the case may be. It is a great position for a citizen of this country to be in. Whilst there has been a lot of talk and criticism about politics and politicians, I think at the end of the day an overwhelming number of Australians would feel that they would rather have the system that they have in place in this country than the systems that exist in many other parts of the world.

One can look around the world and see countries that are struggling, that have enormous problems, that are experiencing civil war, that have chaos and that have no economic prospects of giving their people a better life. I think it is a reasonable statement to make that countries that have governments duly elected by their people have greater prospects of delivering benefits to their people and to their societies because they have a mandate to govern. They have something special, and that is legitimacy through their people.

There is a lesson for the opposition in my concluding remarks. A government is given legitimacy, and to try to point out otherwise is only delivering a blow to the people of Australia. It is saying to them that their decision to vote for candidate X, Y, Z or for party X, Y, Z was wrong, incorrect or illegitimate and that they should have known better and voted for someone else. I think that is an astonishing position to take. What any party in opposition should say is: ‘Yes, you voted for the other crowd on the last occasion, but we think we can do a better job and this is why. These are our policies, these are our credentials and these are our talents, and we are going to put them forward to you at the next election.’ They should come up with alternative policies and show the people that sort of respect.
Mr KELVIN THOMSON (Wills) (1.12 pm)—Australia has an A-grade democracy, and we should give thanks every day of our lives that we live here. But that does not mean that it is perfect, that we should be complacent and that we cannot do better. And we certainly have to safeguard it against attacks. One of the biggest flaws in our democracy—and I am not saying Australia is alone in this; far from it—is the cost of elections and the way in which political parties and candidates can become beholden to those who contribute to their campaign funds.

In Australia, the Australian Labor Party introduced election disclosure laws designed to introduce some transparency into the campaign funding process. Labor does not believe people should be able to donate money to political parties or to candidates in secret, behind closed doors. Corruption flourishes in the dark. The best antidote to it is sunlight, disclosure. These laws have not been perfect, and people have worked tirelessly to try to get around them, but what the Liberal Party is proposing to do with the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005 is utterly shameless and utterly disgraceful. This bill seeks to emasculate and weaken the election disclosure laws. It is one of the worst pieces of legislation to come before the parliament in my 10 years here. In terms of its corrosive, cancerous impact on the quality of Australian democracy and its invitation to corrupt practices and secret commissions, it may well be the worst.

This bill reflects the government’s intent to abuse its new-found Senate majority to reshape Australia’s political system to the advantage of the Liberal and National parties at the expense of the very health and integrity of Australia’s democracy. I urge the government not to turn off the light of transparency and plunge us into the darkness of corrupt, secret backroom deals.

One of the greatest safeguards against people trying to buy political influence is the knowledge that campaign donations will be disclosed. The Howard government’s plans will change that. They will allow secret backroom deals. They will allow ministers and government MPs to hand out contracts and favourable policy decisions in exchange for campaign donations. And we will not know it is happening, because those campaign donations will be secret. This is absolutely the wrong way for Australia to go.

I believe we should be moving to strengthen the campaign disclosure laws, not white-ant them. We should be closing the loopholes, not knocking the house down. I believe we should enact measures that ensure that all fundraising bodies and trusts assisting political parties, politicians or candidates fully and promptly disclose their accounts and the source of their income.

This bill goes in the opposite direction. It will allow donations of up to $10,000 to remain anonymous, up from the present $1,500 limit by over six times. The potential for rorting increases exponentially when you consider that political parties that have national, state and territory organisations each registered separately can receive donations of up to $90,000 on the quiet. This is a shameless and brazen move by the Liberal Party to advantage itself at the expense of the integrity of Australian political life.

Liberal minister Senator Abetz has spoken about ‘a return to the good old days when people used to donate to the Liberal Party via lawyers’ trust accounts’. In February this year Louise Dodson reported in the Sydney Morning Herald, under the heading ‘Donate to us on the quiet, Libs tell business’, that the federal Liberal Party was directly asking 1,000 leading company directors for dona-
tions to the Liberal Party, making clear to them that these donations would be secret. The Liberal Party’s treasurer, John Calvert-Jones, said in the article:

The Liberal Party’s treasurer, John Calvert-Jones, said in the article:

The lifting of the threshold for disclosure of political donations would help the Liberals’ finances ...

Talk about giving the game away. Talk about letting the cat out of the bag. This is naked, shameless self-interest.

To make matters even worse, the Liberal Party also plans to deliver a huge tax break for campaign donors, lifting the amount that can be claimed as a tax deduction from $100 to $5,000. Why should someone get a tax break for donating to a political party? Tax deductibility for political donations should be abolished, not increased. Again it is naked, shameless self-interest—the Liberal Party putting its own political advantage ahead of the national interest and a clean, corruption-free political system.

The biggest issue in Australia in the past few months has been the ‘wheat for weapons’ scandal involving AWB. Until 2002-03 AWB made no political contributions at all. In 2002-03 it gave political parties $10,530. This rose to $74,245 in 2003-04 and to $124,145 in 2004-05. Why might a company that had managed to prosper for years without making any political donations suddenly start making donations, and indeed dramatically increase those donations in the space of just two years? We can all see that AWB greatly increased the size of its political contributions once investigators from the United Nations Volker inquiry started to closely examine allegations that AWB had paid kickbacks to Saddam Hussein’s regime in breach of UN sanctions. Why? It is pretty plain that AWB senior personnel had worked out that the balloon was going up and they wanted a few friends at court. People with legal training might refer to their behaviour as showing ‘consciousness of guilt’ or ‘consciousness of wrongdoing’. Were these donations intended to contribute to the health and vibrancy of democracy in Australia? I very much doubt it. AWB was essentially looking to undermine and subvert it and save itself from the consequences of its actions. The vast majority of these campaign donations went to the Liberal and National parties—$120,515 to the Liberal Party and $29,680 to the National Party. It paid $57,225 to the Labor Party and $1,500 to the Australian Democrats.

The Labor Party has not been bought by these donations. We have pursued the ‘wheat for weapons’ scandal relentlessly both inside and outside the parliament. Our national secretary, Tim Gartrell, recognising the tainted nature of these donations, has paid over all the money donated to Labor’s national office to the Australian committee for UNICEF’s Iraqi children’s appeal. But the Liberal and National parties have pocketed their AWB donations, donations that under the bill before the House could be made in secret. And has AWB got value for their donations to the Liberal and National parties? They have, in spades! This has been influence-buying at its most successful. Throughout the years of the campaign donations this government turned a blind eye and a deaf ear to the chorus of warnings from home and abroad that AWB was paying kickbacks to Saddam Hussein.

Mr Ciobo—Mr Deputy Speaker, I rise on a point of order. Those kinds of falsehoods should not be allowed to stand. I ask that those allegations be withdrawn.

The DEPUTY SPEAKER (Mr Lindsay)—I thank the member for Moncrieff. I am listening carefully.

Mr KELVIN THOMSON—A spurious attempt to prevent the facts of this matter from being revealed. The member for Moncrieff’s lack of respect for parliamentary
processes is clear. I do not claim that the campaign donations were the only ingredient explaining the government’s conduct. I referred in parliament earlier this week to the six Howard government ministers and MPs who had AWB shares. There is also the role of appointments of National Party personnel such as Trevor Flugge and former Anderson staffer Daryl Hockey. But the campaign donations contributed to a culture of cronyism which went from Department of Foreign Affairs and Trade bureaucrats all the way up to the Prime Minister. Everyone in the government trusted their AWB mates. Whatever AWB directors and executives said was always good enough for the Howard government. AWB was a creature of the coalition government and, in our international dealings, the government returned the favour and acted as an arm of AWB.

We know from evidence tabled at the Cole inquiry that, under the previous Labor government, these contracts were subjected to rigorous scrutiny. DFAT was all over the original BHP deal to provide wheat to Iraq, but DFAT officials have repeatedly testified to the Cole commission that under the Howard government they acted as a mere postbox and did not check the contracts for compliance with UN resolutions. What a shocking abdication of their responsibilities. What were they collecting their salaries for? The fact is that the closeness of the relationship between AWB and the Howard government, reinforced by campaign donations, made the government incapable of objective judgment. It was unable to take the action needed to give these contracts proper scrutiny.

Instead, it covered for AWB. We had Prime Minister Howard saying AWB was ‘a very straight up-and-down group of people’. He said, ‘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.’ We had the Minister for Trade and the Minister for Foreign Affairs denying the allegations and attacking anyone who made them.

The DEPUTY SPEAKER—Order! The member for Wills will return to the substance of the bill, please.

Mr KELVIN THOMSON—What I am saying is absolutely germane to the bill. I am concerned that, if this bill passes, donations by companies like AWB to the Liberal and National parties will be secret and will not be transparent, and we will not be able to make judgments about them. I consider these remarks absolutely germane to the bill.

We had our ambassador telling a United States Senate committee chairman, in order to prevent a US Senate inquiry into AWB’s conduct, absolute falsehoods. We sent AWB personnel, such as Trevor Flugge and Daryl Hockey, into post-Saddam Iraq, and paid them handsomely out of the aid budget. So did AWB’s campaign donations pay off? You bet your sweet bippy they did. And they are still paying off.

Mr Ciobo—Mr Deputy Speaker, I rise on a point of order in accordance with standing order 90. It is very clear that the member for Wills is making imputations of improper motives time and time again. I would ask you to rule these comments out of order. They are completely false and they deserve not to be placed on the record.

The DEPUTY SPEAKER—Standing order 90, Member for Moncrieff, refers to reflection on members. Is that what you intended to raise?

Mr Ciobo—That is correct, Mr Deputy Speaker. These comments reflect on members of the government.

The DEPUTY SPEAKER—Member for Wills, I have already indicated I need to hear discussion about the bill. I agree with the member for Wills that campaign donations
are relevant. However, the member for Wills should stay within the realms of the debate.

Mr KELVIN THOMSON—Thank you for your ruling, Mr Deputy Speaker. The sorts of campaign donations which AWB made will be easy to keep secret under this bill. You simply donate amounts of up to $10,000 to the various state branches of the political parties. An examination of the disclosures reported by the Australian Electoral Commission at the start of February this year shows that nearly $8 million in donations to the Liberal Party would have gone undisclosed under this bill. The member for Moncrieff might not want to hear it, but that is the fact. That is $8 million even before you factor in the probability of companies arranging their affairs so as to get under the new limit.

In order to comprehend the possibilities under these proposed reforms, if you have a look at the donations given to the Victorian division of the Liberal Party in 2004-05 you get the situation into perspective and you can see the democracy-eroding future awaiting Australia under these reforms. If the threshold for declaring donations had been $10,000 then 154 of the 205 donations given to the Victorian division of the Liberal Party in the last financial year would have been from unknown donors. It should probably be assumed that if the disclosure limits for political donations were to be amended to $10,000, as this bill proposes, then most of the 11 donations of exactly $10,000 would have been amended to $9,999 to hide their donor’s identity. Including these donations on the cusp of the proposed disclosure limit, 165 out of the 205 donations would be anonymous. This equates to over 80 per cent of all declared donations. So in the state of Victoria alone the Liberal Party would have been potentially able to give anonymity to over 80 per cent of previously declared donors had this law been in effect during the last financial year.

Furthermore, it is apparent that the Victorian Liberal Party, for example, would have enjoyed increased amounts of donations once donors realised that they did not have to disclose their generosity. Top companies in Australia have been reassessing their policies on donating to political parties, speculating on whether or not it is worth the grief that they receive from the media, the public and shareholders alike. You have had companies like AMP, Lend Lease and National Australia Bank deciding to stop donating to political parties at all. Clearly the government’s proposed reforms are aimed at tempting those major companies who have opted out of making political donations into donating again with the security of absolute secrecy. This seems almost certain, considering that when the member for Wentworth was Treasurer of the Liberal Party in 2003 he stated that the non-donation policies of many major companies had cost the Liberal Party $700,000 in potential donations during the previous year.

Mr Albanese interjecting—

Mr KELVIN THOMSON—I know my colleague the shadow minister for the environment will be interested in an article by Richard Baker in the Age last year which referred to donations to the Liberal and National parties from BHP Billiton, Rio Tinto, Woodside Western Mining and WesFarmers of $1.69 million, to state and federal coalition parties, accompanied by statements by various of those companies, such as Rio Tinto and Alcoa arguing against emissions trading; BHP Billiton and Rio Tinto saying that it was premature to commit to an emissions trading regime; and Exxon Mobil saying that investments in current renewable energy technology were not economical et cetera.

We know that this is a government that has refused to take the issue of global warm-
ing and climate change seriously, notwithstanding its devastating effects both now and in the future on Australia. For example, in North Queensland we have just seen the severity of Cyclone Larry. We have heard the stories about the bleaching of the Barrier Reef, and throughout the rest of Australia we have the prospect of droughts, bushfires, storms and the like. Notwithstanding that, we have a government that refuses to take seriously the matters which could be done to deal with these problems through international action to tackle climate change, such as ratifying the Kyoto protocol on climate change, the introduction of emissions trading and support for renewable energy. None of those things has happened, and Australia has been lagging behind international practice and not taking climate change seriously. When you see some of the donations that have been reported from various companies which are opposed to these measures, there is certainly a case for undue influence.

There is a range of other measures in this bill which others have spoken to—in particular, there is great community concern about the attack on young people implicit in the changes to the close of the rolls period after the writs are issued. The deputy school captain from Mercy College in my electorate, Gail Garcia, said:

"It seems to me that under the new legislation more people would be compelled to enrol to vote quickly, which is an inconvenience. Most people don’t want to be pushed. They do want to vote but they have severe time constraints. A lot of teenagers are interested in politics and voting but they’re always going to put VCE first."

It is clear to her and it is clear to many other people in my electorate that this amounts to an attack on young people. So I strongly support, and I urge the House to support, the amendment to the second reading moved by my colleague the member for Bruce, which suggests that we not support this bill until the undemocratic provisions which reduce the period of time Australians have to enrol to vote—(Time expired)

Mr CIOBO (Moncrieff) (1.33 pm)—I am pleased to rise to speak on the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005, because it embraces a number of the recommendations made by the Joint Standing Committee on Electoral Matters, of which I have the privilege of being a member. As part of my role as a member of that committee I undertook to travel right across the length and breadth of Australia, talking to people from towns and cities and taking on board their advice about the ways in which we can make Australian democracy function even better than it currently does.

In due course I would like to turn my mind to some of the hypocritical remarks made by the member for Wills, which underscore the attitude of the Australian Labor Party in this debate. Time and time again, we see the Australian Labor Party say one thing in this chamber but do the complete opposite in reality. I will come to those remarks in a moment.

At this stage I would like to focus on a couple of key points—that is, to acknowledge the hard and diligent work performed by the chair of the committee, Mr Tony Smith, the member for Casey, as well as the hard work put in by Senators Brandis and Mason and me and Ms Sophie Panopoulos, whose electorate name escapes me—

The DEPUTY SPEAKER (Mr Lindsay)—Indi.

Mr CIOBO—The member for Indi, thank you. Mr Deputy Speaker. The committee functioned very well and played an important role in undertaking dialogue with people across a variety of places throughout Australia, including the residents in the town of Innisfail, which, as we know, was unfortu-
nately very adversely affected by the recent passage of Cyclone Larry through the area.

This bill before the chamber today contains a number of key recommendations that flowed from the committee’s report. These recommendations were taken upon the best evidence that came before the committee. These recommendations flow from the overwhelming weight of evidence that the committee took from Australians throughout the country. A number of them made the point very strongly that, through some tweaking and some changes, our very good system could become even better.

It was also troubling for me to learn of some ways in which potential weaknesses in our electoral system were exploited by minor parties and, indeed, in some instances exploited by major parties. I think it is very important that the chamber pass this bill and that the Senate pass this bill so that all Australians can rest more comfortably in the knowledge that those democratic institutions empowered with ensuring that the will of the Australian people is best reflected in the election result are able to do so and that the result is a true reflection of the will of the people.

We have seen instances in the past, as brought out in the Shepherdson inquiry in Queensland, where the Australian Labor Party ruthlessly and nefariously exploited our electoral system to their advantage in marginal Labor seats. And I know certainly that within the state of Queensland there is widespread community concern that we should never again see people like Mike Kaiser elected to roles in state parliament when they have had their hands dirtied by what have been shown by the Shepherdson inquiry to be grubby political tricks, which actually resulted in that particular member resigning from the Queensland state parliament.

At this stage I would like to turn my attention to some comments that were made by the member for Wills. We saw the outrage and the feigned indignation from the Australian Labor Party as the member for Wills stood in this chamber and spoke at length, saying that increasing the political donations threshold would open up the potential for the Australian parliament to be corrupted. We saw the feigned indignation from the Australian Labor Party as they purported to explain that increasing the disclosure limit to $10,000, with the opportunity for there perhaps to be multiple donations through a number of divisions, in some way is the end of the bona fides of the Australian political system. In typical Labor Party style, it is a case of not listening to what they say but watching what they do. The member for Wills’s comments reflect comments that were made by Mr Griffin, who had this to say on political donations in this very place on 29 March this year. He said a claim that amounts of $10,000 and below were not enough to improperly influence political parties:

… completely ignores the fact that … a party can receive multiple donations from the same donor. This fact clearly increases the chances of corrupt behaviour …

Sound familiar? That sounds remarkably like the member for Wills. He continued:

… you would not have to be Einstein to work out that as the amounts of money increase so do the chances of inappropriate, or even corrupt, behaviour.

Again, that sounds remarkably like the previous speaker in this debate. This is where it gets very interesting, because the Australian union movement have written the rule book and are streets ahead of anybody else when it comes to multiple donations and the opportunity to buy your way into this parliament or the opportunity to buy your way when it comes to policy. In 2004-05 more than 260
separate donations from unions flowed to the Australian Labor Party, the party whose members have the audacity to come into this chamber and lecture us on why this is a bad move—260 separate donations from the Australian union movement. That is the reason that the Australian Labor Party is a completely owned element of the Australian trade union movement.

In 2004-05 the top five multiple union donors to the ALP were: fifth, the AMWU with 27 separate donations to the value of $325,455; fourth, the CEPU with 31 donations totalling $238,333; third, the TWU with 32 donations totalling $99,996; second, the CFMEU with 46 donations to the amount of $890,752; and, coming in at first place, the MUA with 47 separate donations to the tune of $78,350. Just for the top five that is a total of 183 separate donations from the trade union movement to the tune of some $1.6 million. By its own admission, the Australian Labor Party believes that receipt of multiple donations ‘clearly’, to use the quotation of the Australian Labor Party, ‘increases the chances’ of corruption.

Mr Albanese—Mr Deputy Speaker, I rise on a point of order on a similar argument to that put by the member for Moncrieff before. The member referred to the honourable member for Bruce’s comments at the beginning. He is now talking about corruption. He has put an argument against himself, because he knows all those union donations were declared—

The DEPUTY SPEAKER (Mr Lindsay)—The member will not debate the point of order. The member for Grayndler will resume his seat. The member for Moncrieff will link his comments to the bill being discussed.

Mr CIOBO—Mr Deputy Speaker, my comments are directly linked to the comments that were made by the member for Wills. The member for Wills stood in this chamber making the claim that multiple donations open up opportunities for corruption, yet we see that the Australian Labor Party is the key recipient of multiple donations from the trade union movement. I wonder how much inappropriate and corrupt behaviour 260 individual donations from the union movement buys in the Australian Labor Party.

Mr Albanese—I rise on a point of order, Mr Deputy Speaker. My point of order, under standing order 91(e), is that he has repeated the allegation, this time against a separate member—

The DEPUTY SPEAKER—The member for Grayndler will resume his seat now. That was not a point of order. The member for Moncrieff is linking his comments to the bill quite directly.

Mr CIOBO—Let me repeat what I said, because clearly the member for Grayndler is not listening. I am simply posing the question. When the ALP says multiple donations buy corruption, I simply ask how much inappropriate and corrupt behaviour—

Mr Albanese—On a point of order, Mr Deputy Speaker: the member for Moncrieff has repeated the allegation. The ALP’s position is that undisclosed donations are potentially corrupt. It is very clear that he has linked those comments to a number of members and I ask him to withdraw what he has said and stop repeating what is a wrong statement.

The DEPUTY SPEAKER—I thank the member for Grayndler and call the member for Moncrieff.

Mr CIOBO—So it is very clear that the union movement with 260 individual donations would appear, if you follow the logic of the member for Wills, to be in a situation where they are able to have perhaps inappro-
priate and corrupt influences on the Australian Labor Party.

Mr Albanese—Mr Deputy Speaker—

The DEPUTY SPEAKER—Member for Grayndler, I hope this is not a tedious point of order.

Mr Albanese—On a point of order, Mr Deputy Speaker: the member persists in linking in the same sentence names of my colleagues and corruption. He persists in doing it. This is the fourth time that he has done it. I ask him to withdraw.

The DEPUTY SPEAKER—I thank the member for Grayndler. The member for Grayndler will resume his seat. I am not going to ask the member to withdraw. The member for Grayndler will know that this is a very important bill. The debate with the member for Wills was wide ranging; the chair allowed that to occur. In this instance what I am hearing is the effects of political donations on various parties.

Mr CIOBO—I do not wish to drag the debate down and get bogged on this one point, so I will move on. There are other areas of significant concern to me as well. But I want to refute the accusation made by the Australian Labor Party and question their logic when they come into this House and criticise the electoral reforms before the House when it is very clear that they are one of the key beneficiaries of multiple union donations. I simply question the logic that applies and suggest that it is nothing but an exercise in absolute and total hypocrisy.

I want to turn to another aspect that was particularly concerning to me. As part of the inquiry, I learned about the way in which liberals for forests conducted themselves. It appears the Labor member for Richmond was a direct beneficiary of what I would consider to be absolutely corrupt practices by the liberals for forests.

Mr Bowen—Mr Deputy Speaker, on a point of order: it is highly disorderly for the member for Moncrieff to question the integrity of another member and to make imputations about another member. It is highly disorderly of him, and he should withdraw that suggestion.

The DEPUTY SPEAKER (Hon. IR Causley)—I will listen very closely, but I do not believe the member for Moncrieff tied that to the member.

Mr CIOBO—The Australian Labor Party may not like the fact that the member for Richmond is in this parliament because of some kind of dodgy deal by liberals for forests that managed to convince and confuse—

The DEPUTY SPEAKER—if the member for Moncrieff wants to make that type of statement, he has to do it by substantive motion.

Mr CIOBO—The finding of the Joint Standing Committee on Electoral Matters was that the member for Richmond was a beneficiary—

Mr Bowen—Mr Deputy Speaker, on a point of order: it matters nought what the committee found. The honourable member for Moncrieff is making an imputation against another member, and it is highly disorderly.

The DEPUTY SPEAKER—What is the standing order that you are taking the point of order on?

Mr Bowen—Mr Deputy Speaker, I refer you to page 500 of House of Representatives Practice.

The DEPUTY SPEAKER—That is not correct.

Mr Albanese—Mr Deputy Speaker, on the point of order: I believe ‘Reflections on members’ is—
The DEPUTY SPEAKER—I have already ruled on that, Member for Grayndler. I will listen very carefully.

Mr CIOBO—I make no apologies for standing up for those residents of Tweed Heads, for those residents in Richmond, who were misled by liberals for forests tickets. I make no apology for the fact that the residents who were misled—and we had them appear before the committee—explained to us how the liberals for forests how-to-vote card was deliberately done in a way to confuse them. A number of them said they were confused. They thought they were voting for a Liberal when their votes were flowing to the Australian Labor Party.

Mr Albanese—Mr Deputy Speaker, on a point of order: standing order 90, ‘Reflections on members’, says: ‘All imputations—

The DEPUTY SPEAKER—The member for Grayndler will resume his seat. The member for Moncrieff at the present time is not mentioning a member. The member for Moncrieff is talking about the report and the evidence that was given to the committee.

Mr CIOBO—I am astounded that the Australian Labor Party is unable to hear the simple facts, which were the findings of the committee after its inquiry into the 2004 federal election. It is clearly the case that voters in the seat of Richmond were confused by a highly misleading and deceptive how-to-vote card—which the liberals for forests issued—with preferences flowing to the Australian Labor Party.

Liberals for forests in Richmond secured approximately 1,500 votes, despite the liberals for forests candidates not even turning up in the seat of Richmond to campaign, despite the liberals for forests candidate in Richmond living in Sydney and despite the liberals for forests candidate doing essentially no advertising or campaigning of any kind. Despite these facts, 1,500 people voted for liberals for forests. The finding of the committee is that if only one in 10 people had been misled by the liberals for forests how-to-vote ticket out of those 1,500 people who voted for liberals for forests—and we took evidence directly from people who were misled by the liberals for forests ticket—the outcome would have been different. The Labor member for Richmond won by 150 votes.

In my view, it is a simple case of a large number of people being deceived in the seat of Richmond, and the beneficiary of that deception was the Labor member for Richmond. People are angry about that deception, and they have every right to be. So I welcome one of the key initiatives in the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005, which is to ensure that this problem will no longer be allowed or permitted to exist. I welcome the fact that a key finding of this committee has been adopted so that this problem will not occur again and the Australian Labor Party will not see one of their candidates elected—whether through some deliberate deal or as a beneficiary of a deal as occurred in the seat of Richmond—because of a deceptive how-to-vote card that the liberals for forests candidate issued in that seat.

There are a number of other key measures that I would like to touch upon in the very short amount of time that I have left. With regard to the disclosure thresholds, I simply have not heard any sound argument that highlights the way in which a $10,000 donation is going to buy any MP. The increase from the amount that was introduced 20 years ago is barely in line with inflation. This increase that the Australian Labor Party rail so strongly against does nothing other than effectively allow the disclosure limit to be CPI indexed. That is hardly a radical concept. The Australian Labor Party can come into this chamber and attribute all sorts of
motives behind this increase, but let us put on the record the clear motive, the very simple motive, that it is nothing more than CPI indexation. These kinds of reactionary comments from the Australian Labor Party underscore the fact that they are engaged in a scare campaign about this issue as they do on so many other issues.

I would also like to touch briefly on the early closure of the rolls. We have seen in the Shepherdson inquiry in Queensland that the Australian Labor Party has deliberately rorted enrolments, has deliberately rorted those people who are seeking to enrol and has created fictitious people who enrolled in marginal seats. We saw this happen in Queensland to benefit the Australian Labor Party. So is it any wonder that the committee recommended that there be an earlier closure of the rolls than is currently the case? The reason is that the current closure of the rolls and thousands and the thousands of enrolments that flow in simply do not provide the AEC with the appropriate amount of time required to ensure the bona fides of those who have enrolled. (Time expired)

Mr BOWEN (Prospect) (1.53 pm)—What an extraordinary contribution from the member for Moncrieff. This bill is a backward step for democracy in Australia. When it comes to electoral reform, governments have a choice. They can increase transparency and make it easier for people to participate in the democratic process or they can reduce transparency and make it harder for people to vote. When they take the latter course, you can bet it is for partisan political reasons. The government, of course, in this bill is taking the latter approach. This bill reduces transparency and makes it harder for people to participate in Australia’s democratic processes.

There are two concerning aspects of this bill primarily: the change to the threshold for declaring electoral donations and the early closure of the rolls. The government says that the law is that you should change your enrolment immediately you move house and that you should enrol immediately when you turn 18. I have a reality check for the government. Forty per cent of people do not immediately change their enrolment details when they move. These people are not criminals. They are not flouting the law. When you move house you have a million things to do. Changing your electoral enrolment is not necessarily at the top of your list. There are 40 per cent of people who move house in this country every year who do not change their enrolment immediately. They are not criminals but this government’s approach is to deny them their right to vote. An even bigger problem is that people who have turned 18 since the last election also no longer have a right, if this bill is passed, to enrol to vote after the writs are issued. I do not know many 18-year-olds who have as their No. 1 priority in life enrolling to vote when they turn 18. They have other things on their mind. Across the country, 78,000 people enrolled for the first time between the issue of the writs at the last election and the closure of the rolls. That is almost an entire federal electorate which would be disenfranchised once this bill passes this House and the other place.

The government’s rationale for this, as we just heard in that extraordinary contribution from the member for Moncrieff, is that the AEC is deluged with electoral enrolments and therefore its veracity checks are not as reliable as they are at other times. The only problem with that argument is that it is not what the AEC thinks. In a submission to the Joint Standing Committee on Electoral Matters, the AEC said:

When the AEC processes an application for enrolment, every component of the enrolment form is checked for any anomalies and to ensure that it
complies with the provisions of the Electoral Act, prior to the form being processed and the elector’s name being entered on the roll. This occurs during close of rolls and in non-election periods. An elector’s name is not added to, nor amended on, the roll during close of rolls, or at any other time, if the DRO has reason to believe that the enrolment form is not in order or if there is any doubt as to the elector’s entitlement to electoral enrolment. During the roll close period, the AEC applies its established procedures with the same degree of rigour as it does in a non-election period.

That was in the AEC’s submission to this inquiry. But even more telling was the AEC’s submission to the joint standing committee in 2000. Again I quote the Australian Electoral Commission, the independent umpire in Australian elections:

... the early close of rolls will not improve the accuracy of the rolls for an election ... In fact, the expectation is that the rolls for the election will be less accurate, because less time will be available for existing electors to correct their enrolments and for new enrolments to be received.

It gets better. The AEC went on to say, in relation to a proposal to close the roll on the day that writs are issued for an election:

This expected outcome is in direct conflict with the stated policy intention of the Government to improve the accuracy of the rolls. Further, it will undoubtedly have a negative impact on the franchise, an outcome which the AEC cannot support.

Nothing has changed since that submission. There has been no evidence brought forward from the government that anything has changed. This government is rolling the Australian Electoral Commission for its own partisan political purposes and it is a sad day for democracy.

As Brian Costar and Peter Brown pointed out in the Independent Weekly on 18 March this year, the Australian National Audit Office, an independent body, examined the integrity of the electoral roll and could very easily have recommended to the government the early closure of the roll to ensure its integrity. Instead, the Audit Office found:

... overall the Australian electoral roll is one of high integrity, and can be relied on for electoral purposes.

The practice of having a grace period for people to enrol or to change their enrolment after an election has been called is not a new one. It was introduced into the law of this nation in 1983. However, it has effectively been the practice for much longer. In every election from 1940 to 1983, there was a gap between the election date being announced and the issuing of the writ when rolls closed and consequently a gap allowing people to enrol to vote. The smallest gap was in 1949, when people had five days to enrol; the longest gap was in 1958, when there was an extraordinary 63-day gap allowing people to enrol to vote. The average period that people have had to enrol to vote in between the calling of an election and the rolls closing, in the 40 years after that practice was introduced, was 20 days.

The government have no credible rationale apart from their own partisan political purposes for abolishing this longstanding arrangement. They have made a crass political judgment that abolishing the franchise of those people who enrol after the writs are issued is to their partisan advantage. They are particularly disenfranchising the young people of this country. I am also worried about the impact of this bill on people of non-English-speaking backgrounds, many of whom are in my electorate and the electorate of the member for Fowler. The government have an obligation. They can spend their $55 million advertising their workplace relations bill; they can spend their $20 million advertising changes to Medicare before the last election, changes which they then scrapped. If they can find money to advertise that, it is incumbent on them to spend a large amount
of money to advertise these changes to the electoral system. They should go and say to people that they no longer have the right to vote.

The SPEAKER—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.

QUESTIONS WITHOUT NOTICE

Workplace Relations

Mr STEPHEN SMITH (2.00 pm)—My question is to the Assistant Treasurer and Minister for Revenue, but I am not sure he is in the chamber yet.

Mr Howard interjecting—

Mr STEPHEN SMITH—It is a direct quote from him.

Mr Beazley—I will ask a question in place of the honourable member.

Oil for Food Program

Mr BEAZLEY (2.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to his statement last night: ... if Cole finds that Downer or Howard were told by AWB that it was paying kickbacks and we did nothing about it, it would be game over. Prime Minister, isn't it the case that a June 2003 cable from the government's own representatives in Baghdad stated that all contracts under the UN oil for food program included kickbacks to Saddam Hussein's regime of between 10 and 19 per cent? Given that the cable was sent to the Prime Minister, the Minister for Foreign Affairs and the Minister for Trade, isn't this, by your own definition, game over?

Mr HOWARD—No.

Cyclone Larry

Mr ENTSCH (2.01 pm)—My question is addressed to the Prime Minister. Can the Prime Minister inform the House of any further decisions taken by the government to provide additional assistance to residents of Far North Queensland affected by Cyclone Larry?

Mr HOWARD—I thank the member for Leichhardt for his question and also for his ongoing commitment to the interests of the people of Far North Queensland, along with, I might say, the member for Kennedy, the member for Lindsay and many others. Before I indicate to the House a number of changes that the government has announced and enhancements to the level of assistance, I would like to again place on record the gratitude of the government, and I know of the nation, to all of those people, including the men and women of the Australian Defence Force, the Queensland police and emergency services and the wonderful officers of Centrelink. The Minister for Human Services visited the area yesterday. The Centrelink people have done an absolutely superb job. I would not want any expressions of thanks not to include them.

The government has decided—as I foreshadowed could well be the case when I made the original announcements in Innisfail last Wednesday week—on a number of enhancements which will meet need, and I believe they are very appropriate. In relation to the tax-free ex gratia payment to businesses, including farmers, the government has decided on two changes. The first is that we are going to remove the 20 full-time employee cap. In other words, these ex gratia payments will be available to businesses employing any number of employees, because there are a number of cases—albeit not a large number—where the 20 full-time employee equivalent cap worked to a disadvantage. We have also decided that if significant loss or damage above the normal can be demonstrated we will be willing, in those circumstances, to increase the payment from...
$10,000 to $25,000 to provide for additional assistance. But there will need to be a demonstration of that significant loss.

I can also inform the House that in response to a number of representations, including from the honourable member, to increase the level of the concessional loan to businesses and farmers from the existing cap of $200,000, the Queensland Premier and I have agreed that under the natural disaster relief arrangements we will now provide concessional loans of up to $500,000 where a need can be demonstrated. The cap on the grant component of $50,000 will be retained and the moratorium on all repayments in the first two years will remain on loans of up to $500,000.

I have also agreed with the Premier that under the natural disaster relief arrangements we will extend assistance to primary producers who have hired generators necessary to keep animal stock alive and healthy, such as dairy cattle which will die if not milked regularly, and aquaculture producers who need to maintain pumps and filters for the health of fish stocks. We will reimburse the costs of generator hire in those circumstances. This is in addition to reimbursement of excise on fuel used by businesses, farmers and households for power generators to produce electricity.

The government has under continuing consideration some proposals in relation to employment subsidies. The request has been designed to prevent an exit of employees from the area. The Queensland Premier will be in Canberra on Monday in connection with the visit to Australia of the Premier of China. I hope to see him briefly on Monday afternoon to discuss other aspects of the disaster relief operations. I again record the fact that there has been total cooperation between the Commonwealth and Queensland governments. I thank the Premier of Queensland for that and I thank the officers of his department and mine for the professional way in which they have worked together.

I also mention, for the information of the House, that so far 2,700 claims have been made for the $1,000 for adults, $400 for children ex gratia assistance, 560 claims for the $10,000 ex gratia reestablishment of grant, 250 claims for the fuel excise grant and 170 claims for income support payments to businesses and farmers.

Could I also, for the benefit of the House, acknowledge that Cyclone Glenda, which is off the coast of Western Australia, is being very closely monitored. It has reached the level of a category 4 cyclone. It is currently 200 to 300 kilometres from the coast and may make landfall tonight. WA agencies have begun evacuating coastal towns and I would encourage people living in the area likely to be affected to closely and speedily follow all removal and evacuation requests from authorities. Emergency Management Australia, under the control of the Attorney-General, is in regular contact with the Western Australian emergency management authority about the progress of Cyclone Glenda. It goes without saying that the government, in cooperation with the government of Western Australia, will provide all appropriate assistance, if needed, if the cyclone causes damage to life, limb or property.

Workplace Relations

Mr STEPHEN SMITH (2.08 pm)—Now that he has bothered to turn up, my question is to the Assistant Treasurer and Minister for Revenue. I refer the minister to his speech to the Pine Rivers industrial relations business breakfast on 12 August 2005, when he said about the government’s proposed industrial relations legislation:

Significantly, these changes will not be at the expense of workers’ capacity to negotiate with
their employer—in fact, it will provide greater choice.

Minister, now that the legislation has come into force, does this remain your view?

Mr DUTTON—If that is the best quote you can come up with, it is not worth turning up on time for your contributions. This campaign, orchestrated by a weak Leader of the Opposition, demonstrates how completely out of touch the opposition is with the Australian people, Australian workers and, in particular, Australian small business. This government has an industrial relations plan which has dedicated itself to helping people into work, making sure that people continue to enjoy the real wages growth which has increased to almost 17 per cent under this government. It has meant there are 1.7 million more people in jobs than there were under a corrupt Labor government when they were in partnership with the ACTU and other union organisers—when they were in government for 13 long years. I do not make any apology for supporting a very sound industrial relations policy. If the Labor Party is interested in the workers of Australia, it will get behind this policy.

Exports

Mr NEVILLE (2.10 pm)—My question is addressed to the Deputy Prime Minister and Minister for Trade. Would the Deputy Prime Minister outline to the House how Australia’s exports have benefited from the government’s economic reforms over the last 10 years? How will these new workplace reforms further assist exporters and keep our economy strong?

Mr VAILE—I thank the member for Hinkler for his question. Of course, the member for Hinkler represents a part of Queensland that is totally focused on exports, and it is interesting to see the shift in the mix of exports out of the electorate of Hinkler, including manufactured exports. Yesterday we released the 2006 trade statement, which indicated that there had been a 15 per cent increase in 2005 to $176.7 billion of goods and services exported out of Australia. We all recall that, back in 1996, that figure was $99 billion. So, over that period, the figure has gone from $99 billion worth of exports of goods and services to $176.7 billion worth of exports of goods and services.

As part of that effort last year, many of our major exports had a record year. Our beef exports had a record year in 2005. Our lamb exports, our iron ore exports, our coal exports and our education exports had a record year in 2005. Motor vehicles and manufactured products had a record year last year. Medicines manufactured in Australia had a record year in 2005. They all had a record year and they all contributed to a record year in overall exports of $176.7 billion.

The member for Hinkler asked what the government’s reforms have done in helping to strengthen the capacity of Australia’s exporters. They have done a lot. I will mention two reforms we have undertaken over the last 10 years that were opposed every inch of the way by the Australian Labor Party. In our tax reform package, we removed $3 billion worth of taxes off the back of our Australian exports every year. We removed $3 billion of taxes that were a burden to Australian exports going overseas and made them more competitive.

We all remember the second tranche of workplace relations reform: reform of the waterfront. Remember how hard fought that was in this country? The reform of the waterfront increased the crane rate on the waterfront from 17 TEUs an hour to 28 TEUs an hour. We were being told by the Labor Party and the union movement that you could not improve it beyond 17 lifts an hour, and now it is 28 lifts an hour. Many exporters say the one single thing this government has done
that has benefited them is to improve the efficiency of the waterfront so that they can get their product through the waterfront when they need to.

We have eliminated Labor’s debt—the $96 billion debt that we inherited. We have helped keep interest rates low so that our exporters are more competitive. There have been 1.7 million jobs created in the Australian economy. Wages, over the last 10 years, have grown by 16.8 per cent.

In November last year in answer I think to a question from the member for Hinkler, I used a quote from a manufacturing exporter, a company by the name of Austchilli, in Bundaberg in his electorate. They said then that workplace reform was the next step they needed to secure the position of their business in the international marketplace. It is interesting that the founder and owner of Austchilli, David de Paoli, said today that he now has 50 employees. Last year he had 35, so he has 15 extra from last year. He said:

This new legislation gives me more flexibility with employee-employer relationships. That will allow us to increase productivity without the need for any redundancies.

He went on to say:

I have no intention of sacking anyone, and I do not think they have any intention of walking out, because we are on the same side, working together to compete against the rest of the world.

That is a manufacturing employer in the member for Hinkler’s electorate, and that is what he is doing today with the new workplace relations reforms. Despite the scare tactics that have been run by the Labor Party and the union movement, employers and employees are working with our government to keep the Australian economy strong.

Workplace Relations

Mr STEPHEN SMITH (2.15 pm)—My question is to the Minister for Revenue and Assistant Treasurer. Is it not the case that the current certified agreement the Australian Valuation Office has with its employees expires tomorrow? Is it not the case that, of the 105 Australian Valuation Office employees covered by that agreement, the choice of over 90 employees is for a union negotiated certified agreement? Is it not also the case that late last week Australian Valuation Office employees were told by the government that because of the government’s industrial relations changes the only choice now was an AWA and no union? How is that greater choice for the government’s own employees?

Mr DUTTON—I thank the member opposite for his question. Having only been in this place just under five years, one thing that I have learned is never to take at face value the word of the Australian Labor Party. Let me provide this undertaking to the House: when I look into the matter and receive the full facts—not the Labor version of the facts—I will respond accordingly. Let me make a more general point. This government has provided more choice for people in this country. The choice they had under Labor was no job or a job; 1.7 million people are into jobs who never had jobs under the Labor Party.

Opposition members interjecting—

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

Mr Beazley interjecting—

The SPEAKER—I have not called the Leader of the Opposition.

Mr Beazley interjecting—

The SPEAKER—The Leader of the Opposition does not have the call. Has the minister completed his answer?

Mr Dutton—Yes.

Taxation

Mr BAIRD (2.18 pm)—My question is addressed to the Treasurer. Can the Treasurer outline to the House how hardworking Aus-
ustralians are better off from tax cuts over the last 10 years? Can he inform the House of the latest report which shows how Australia compares internationally? Are there any other views?

Mr COSTELLO—I thank the honourable member for Cook for his question. When the government introduced the GST in 2000, it replaced wholesale sales tax, bed tax, financial institutions duty, bank account debits tax, stamp duty on marketable securities and a whole raft of other taxes which most of the states are continuing to abolish. We cut income taxes in 2000, 2003, 2004 and 2005. The latest OECD report released overnight showed that of the 30 OECD countries Australia has the eighth lowest overall tax burden.

Interestingly, Australia compares very favourably on average wages with the developed world, including the United States. In US dollars, after tax and the application of what is called the tax wedge, Australian single, average workers have a net wage of $US28,000—the seventh highest net wage of the 30 OECD countries and higher than the comparable US wage of $24,206. In other words, in US dollars after tax, average workers are better off in Australia than average workers in the United States. In fact, the average Australian worker takes home more pay. This also applies to single-income couples with two children. For Australia, the net income was $32,816—

Mr Tanner—that’s before your industrial relations changes.

Mr COSTELLO—compared to the US where a single income couple with two children earning the average wage took home $30,081. Again, on average wages for a single-income couple with a family, the Australian worker takes home more than the US worker does. In each of those cases Australia produced the sixth best outcome of the 30 countries of the OECD. This shows that Australia is up the top of the ladder for low taxes and particularly up the top of the ladder when it comes to wage earners who are on average earnings or single-income wage earners.

I heard members of the opposition interjecting. We might be interested to hear from their interjections what their tax policy might be. Even if they take no interest in what their spokesmen says, I do. The Labor Party has now called for a tax cut for hybrid cars, a tax cut for child care, a tax cut for low-income workers, a tax cut for developers of gas fields, a cut in company tax, a tax cut for middle-income earners and a tax cut for high-income earners. There you have it: everybody out there is entitled to a tax cut, according to the Australian Labor Party.

You might ask yourself: how is this all to be paid for? That question was put to the member for Lilley by Charles Wooley this morning. The member for Lilley was fuming with Mr Wooley about what had to be done and Mr Wooley said to him, ‘What should the top rate be? Let’s quickly work out what the top rate of the ideal tax system would be.’ Not a bad question. Listen to this: ‘Charles, I’m not going to nominate a rate on this program.’ Wooley: ‘Come on!’ Swan: ‘Then I’ll have Peter Costello in the parliament who’ll cost it.’ Oh, silly old me! Fancy keeping the Labor Party honest. Fancy actually asking them to pay for a promise. Oh where will I end the nasty tricks that I keep getting up to, actually looking behind these promises to see what they are going to cost and whether or not they are affordable?

This is what you learn in Labor Party training school when you go to the seminar. Seminar 1 on a Monday morning is how to stack a branch. Seminar 2 on Monday morning is how to deliver money to Democrats in brown paper envelopes. Seminar 3 on a
Monday morning is how to say a family payment of $600 is not real money. If you say it over and over again, you can generally get somebody to believe it. This member for Lilley is the person who distinguished himself at the last election by claiming that $600 paid to every Australian family did not exist. So we have every right to ask him to nominate his rates and I can promise him this: we will be costing his policy and it will cost him very dearly.

**Taxation**

Mr SWAN (2.24 pm)—My question is to the Treasurer. Has the Treasurer had the opportunity to read today’s editorial in the Financial Review that describes the tax system as ‘a dysfunctional accident of design’? Is the Treasurer also aware that the editorial states that the tax system imposes ‘some of the worst effective marginal tax rates in the OECD on middle-income’ earners? Does the Treasurer agree with the editorial’s conclusion that ‘Income tax reform is a major piece of unfinished business from the Treasurer’s 10-year’ reign; and ‘it is also the test of whether he is ‘up to the top job’’?

Mr COSTELLO—I have been savaged in here before, but never like that. This is a government which has delivered a tax system which has cut capital gains tax in half, which has cut the company tax from 36 to 30 per cent, which has abolished the bed tax, the bank account debits tax, the financial institutions duty, stamp duty on marketable securities and stamp duty on unmarketable securities. This government cut income tax in 2000, 2003, 2004 and 2005, has legislated an income tax cut in 2006, has a tax to GDP ratio which is the eighth lowest in the developed world and has a spending to GDP ratio which is the second lowest in the developed world. So in relation to the Australian taxation system we have made great strides. To the average Australian, the top income tax rate that they will face is 30 per cent up to $80,000 and the people who will be subject to the top rate of tax in Australia will be the three per cent of high-income earners.

That record, as measured by the OECD, is one of the strongest in the OECD. Does that mean that everything in Australia is perfect? Of course not. We are only the eighth best in the OECD. We should aim to be higher than the eighth best in the OECD. We should aim to maintain our position and, if we could, to improve our position; but I can tell you one thing. All of those changes were opposed by a certain political party. We would not have got there if that party had been successful. We also have the memory of the last time the Labor Party promised a tax cut. Did I say ‘promised’? No, it was l-a-w. It just never came about, not for one day.

**Workplace Relations**

Ms PANOPOULOS (2.28 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister remind the House how the government’s workplace relations legislation will boost employment and protect employees? Are there any alternative policies?

Mr ANDREWS—I thank the member for Indi for her question, because we have been hearing these false and hysterical claims from those opposite and from the union movement about how Work Choices is cutting wages for Australian workers. So I was very interested to read a report this morning in the West Australian newspaper which says that the John Holland construction group will be offering employment contracts to 180 individual workers on a building site in Port Hedland using a new provision in the work choices legislation. Indeed, John Holland’s Port Hedland agreement delivers pay rates which, according to the report, are among the highest in the booming north-west ‘with unskilled labourers to collect $2,700, including
allowances, for a 60-hour week’. That is, $2,700 for unskilled labourers under this agreement. That would not have been possible prior to Monday, because it is as a result of the work choices legislation. Indeed, in another report about this, a spokesman for John Holland in the *Australian Financial Review* is quoting as saying:

It’s quite intentionally not trying to undermine—

*Mrs King interjecting—*

**Mr Andrews**—It is interesting how they do not want to hear the good news. Mr Sasse, a spokesman for John Holland, said:

It’s quite intentionally not trying to undermine existing market conditions and you’d be a bloody fool to try and do it because no one would come and work for you.

That is reflecting, of course, on the contraction in the growth of the workforce because of the ageing of the population. Here is an example of a big business operator in Australia—one of the major construction companies in Australia—taking on more workers under a new provision in the work choices legislation and paying them as unskilled labourers some $2,700 a week. The advantage of *Work Choices* is not just for major employees.

**Mr Brendan O’Connor interjecting—**

**The Speaker**—The member for Gorton is warned!

**Mr Andrews**—We heard on the Channel 10 News on Monday evening from the store manager of Sumo Salad, a small business, who said:

We can provide a lot of productivity and performance based incentives. We can convert part-time people into more permanent positions so we can improve our service. Our staff are a lot happier. We guarantee some work on the roster. We guarantee some weekend work.

Here you have two examples of businesses, in one case large business and in the other case small business, saying, ‘We can take on more workers and we can pay them adequately’—in fact, in the case of John Holland, up to $2,700.

*Mrs Beazley interjecting—*

**Mr Andrews**—The Leader of the Opposition is interjecting. This was a party that once pretended to represent the working people of Australia. The reality is they have abandoned that. I am always reminded of that famous statement by the father of the Leader of the Opposition, who said that, when he came into politics, the Labor Party represented the cream of the working class in Australia and, when he left it, it represented the dregs of the middle class. That is what he said—the father of Leader of the Opposition. I wonder whom he had in mind. The reality is that *Work Choices*, in just these two examples, is delivering real benefits to real Australian workers—the people that the Labor Party once pretended it represented.

**Workplace Relations**

**Mr Stephen Smith** (2.32 pm)—My question is again to the Assistant Treasurer and Minister for Revenue and follows on from my earlier questions. Is it not the case that the AWA presented by the government to an Australian Valuation Office valuer at executive level 2 zone 3 would see a $17,000 reduction in annual salary when compared—

*Mrs Bronwyn Bishop*—Mr Speaker, I rise on a point of order. Standing order 98(c) says:

A Minister can only be questioned on the following matters, for which he or she is responsible or officially connected:

(i) public affairs;

(ii) administration; or

(iii) proceedings pending in the House.

That question may be applicable to another minister, but it is not in order for this minister to be asked it.
The SPEAKER—I am listening carefully to question by the member for Perth.

Mr STEPHEN SMITH—Is it not the case that the AWA presented by the government to an Australian Valuation Office valuer at executive level 2 zone 3 would see a $17,000 reduction in annual salary when compared with the current union negotiated certified agreement? Minister, isn’t this the real reason why the government is denying its own employees real choice?

The SPEAKER—The question relates to the administration of the minister. It is in order. I call the Minister for Revenue and Assistant Treasurer.

Mr DUTTON—Again I thank the member opposite for his question. I have received some initial advice from my office and that is that, at the very least, the member opposite is telling a very small part of the story. When looked at with all of the facts, I think we will see that he may well have something to retract at the end of it.

Nias Island Commemoration

Mr TOLLNER (2.35 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the significance of the commemoration being held on the Indonesian island of Nias this Sunday?

Mr DOWNER—I thank the honourable member for Solomon for asking that question. This Sunday, Australians and Indonesians will participate in a commemorative service to mark the first anniversary of the tragic accident that took the lives of nine Australian service personnel on 2 April last year on the island of Nias. Those young Australians were helping Indonesians in Indonesia’s time of very great need following the earthquake that struck Nias, which came soon after the devastating Boxing Day tsunami.

Eight families from Australia—or 28 people in all—will travel to Indonesia over the next few days to participate in the ceremony. The government will be represented by the Minister for Veterans’ Affairs and the Minister Assisting the Minister for Defence and also by the Australian Ambassador to Indonesia, Bill Farmer. The Australian Defence Force will be represented by the Chief of Navy, Admiral Shalders, the Chief of Air Force, Air Marshal Shepherd, and the Maritime Commander, Rear Admiral Thomas.

When people lose their lives in such circumstances we are reminded only too sharply of the dangers that people in the field responding to tragedy and to emergencies are exposed to every day. Yet, without their contributions, the lives of so many others would be lost or would be compromised.

Like all neighbours, Australia and Indonesia deal with many challenging issues together. They are not always easy, but we are committed to working together on many fronts: confronting the threat of international terrorism and religious extremism, combating transnational crime, stopping illegal fishing and so on. But this commemoration on Nias on Sunday is a reminder of the importance of our bilateral relationship. It also reminds us that there are some issues in life which are beyond politics.

Mr Beazley—Mr Speaker, on indulgence, I would like to endorse the remarks of the Minister for Foreign Affairs. I think it is extremely important that that ceremony took place in the way in which it did, and I am very glad that the Indonesian authorities saw fit to allow it to proceed.

Oil for Food Program

Mr BEAZLEY (2.38 pm)—My question is to the Prime Minister. I refer to the Prime Minister’s interview with Kerry O’Brien on the 7.30 Report last night when he was asked:
... don’t you want to know whether Australia has breached its international obligations or one of your ministers, that is Mr Downer, has breached obligations imposed upon him by Australian regulations ...?

It was then answered by you ‘... yes I do ...’. If this is the case, will the Prime Minister now agree to submit this Federal Executive Council minute—which the opposition has drafted for him—which extends Mr Cole’s letters patents so he can make conclusions about whether the government has done its job in enforcing UN sanctions against Saddam Hussein’s regime? I seek leave to table it.

Leave not granted.

Mr Howard—It is interesting that, after he repeated the question from Kerry O’Brien, the Leader of the Opposition did not provide my answer. Instead he provided some kind of mock executive council minute. I know he still lives back in those days when he was the Deputy Prime Minister—those great and glorious days!—and we were reminded of those—

Mr Beazley—Mr Speaker, on a point of order: the Prime Minister is quite wrong—my question did include his response:

John Howard: But Kerry, the answer is yes I do—

The Speaker—that is not a point of order.

Mr Howard—As I indicated in that interview with Mr O’Brien last night, the reason the government does not intend to change the terms of reference as requested by the Labor Party is that the royal commissioner already has all the authority to make adverse findings in relation to ministers. He has already given an indication that, if, at some stage during his investigation, he comes across something indicating that a minister or anybody else in the government has behaved illegally, he will seek an extension of his terms of reference. I have already indicated in those circumstances that extension would be granted. He has also indicated that he has adequate power to make findings of fact in relation to the knowledge and behaviour of the Commonwealth and the Commonwealth’s officers. Any commonsense understanding of the English language will tell you that that is all the power to make findings of fact and, if necessary, after extension of terms of reference, findings of illegality in relation to any officer of the Commonwealth—and that, of course, includes a minister.

I would say again that what the Leader of the Opposition ought to do is allow the commissioner to do his job. While I am on my feet, I might draw his attention to an article on page 2 of the Australian this morning which quoted a person who I think had been the head of Canadian intelligence and had been a senior officer in the Volcker oil for food inquiry. It is very interesting that, at the conclusion of that article, he contrasted the reaction of the Australian government to these allegations—the reaction of the government I am proud to lead—with the reaction of 24 other governments whose companies had been named. In the case of the 24, he indicated that all of the inquiries were restricted to in-house police inquiries where, by contrast, the Australian government had engaged in an open, transparent public hearing. That is a measure of this government’s openness on this issue. We are the only government in the Western world to have had an open royal commission into these matters. This government deserves praise for having established this inquiry. This government, unlike other governments, has not been afraid to get to the bottom of this matter. We will, and we all await with great interest the findings of Mr Cole.
Medicare

Mr CADMAN (2.43 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister update the House on the government’s investment in the Medicare system, particularly for older Australians? Are there any alternative policies?

Mr ABBOTT—I thank the member for Mitchell for his question. This government does not just talk about Medicare; we spend the money necessary to make a good system even better. Since 1996 health spending has risen from 15 per cent to 20 per cent of the federal budget. Since 1996 federal health spending has risen from 3.7 to 4.3 per cent of Australia’s gross domestic product. It is not the quantity of the spend but the quality of the outcome that counts. And, since 1996, we have 30 per cent more medical students and 30 per cent more GPs in training. Bulk-billing rates for children are at an all-time high, bulk-billing rates in the country are at an all-time high and bulk-billing rates for people over 65 are at near-record levels.

I have been asked about alternative policies. Just after he was restored to the leadership, the Leader of the Opposition said Medicare Gold ‘disappeared with Mark’. That is what he told the Sunday Telegraph on 30 January last year. It certainly has not disappeared from Labor’s website. I looked on Labor’s website today and I found something called ‘Labor’s principles’ and the only health policy is Medicare Gold. So who is in charge—the member for Lalor or the member for Brand? It seems that he can stop the member for Lalor asking questions in parliament, but he cannot get her policy off his website. He took 14 minutes to get Latham’s T-shirt off the website, but in 14 months he has not been able to get Gillard’s policy off the website. We know what the member for Brand thinks of these policies. They are lightweight and banal—

Mr Albanese—Mr Speaker, I rise on a point of order under standing order 104.

The SPEAKER—The member for Grayndler would have heard that the minister was asked, amongst other things, about alternative policies. He is entirely in order.

Mr ABBOTT—We know that the Leader of the Opposition thinks that the member for Lalor’s policies are lightweight and banal, because Michael Costello published that in the paper last week. But the member for Lalor has one thing right: in her notorious Sydney Institute speech the other week, she said, ‘If you can’t run a political party, you certainly can’t run this country.’ I call on the Leader of the Opposition to clarify just who is really in charge of Labor’s health policy.

Oil for Food Program

Mr RUDD (2.46 pm)—My question is to the Prime Minister. I refer to his statement of 21 February 2006:

I have given him—that is, Mr Cole—my documents. He’s got my file.

Prime Minister, why was it that on that very same day Commissioner Cole had to issue you personally with this subpoena, which stated:

The inquiry has served a notice to produce documents on the Department of the Prime Minister and Cabinet. It is understood, however, that documents in your custody or control or in the custody or control of your office or staff are not covered by the notices served on PM&C. I request your assistance in ensuring that relevant documents held by you or your staff are produced to the inquiry.

Prime Minister, why did you say on 21 February that you had already given all these documents and files to Commissioner Cole when, on that very same day, the commissioner subpoenaed you to extract those very same documents?
Mr Howard—There is absolutely no inconsistency at all between the fact that I had indicated that I had given documents and the receipt of a formal request. That is a normal procedure. There is absolutely no inconsistency—and you know it.

Mr Rudd interjecting—

The Speaker—The Prime Minister has completed his answer.

Mr Rudd interjecting—

The Speaker—Order! The member for Griffith does not have the call.

Mr Rudd—Mr Speaker, I seek leave to table this formal subpoena which was served on the Prime Minister personally.

Leave not granted.

Foreign Affairs: China

Mr Jull (2.48 pm)—My question is directed to the Minister for Foreign Affairs. What are the latest developments in the Australia-China relationship?

Mr Downer—First, I thank the honourable member for Fadden for his question. He has always had a great interest in foreign affairs, as I think all members of the House know, and a very sincere interest. The latest development is that the Premier of China, Premier Wen, will be in Australia next week. He is visiting Australia from 1 to 4 April. This is the first visit by a Chinese Premier to Australia—although of course we had a visit by the President—since 1988. It follows the visit of the President in October 2003. Premier Wen will naturally meet with the Prime Minister and with other members of the cabinet, business leaders and also with representatives of the Chinese community in Australia. I think this visit is likely to help enhance our relationship with China. We have very highly complementary economies. China is now Australia’s second largest trading partner. Our exports to China grew last year—as the Minister for Trade and Deputy Prime Minister knows only too well—by 30.6 per cent and our people to people links are very strong.

Interestingly enough, there are now 70,000 Chinese students studying in Australia in one form or another. We share a lot of interest in the region through APEC, through the ASEAN Regional Forum and nowadays through the East Asia Summit. As China’s economy grows, then naturally as a country it will become increasingly important. We see it as significant that China’s growing economic weight is accommodated in the region. We also believe that China has to understand that, if it becomes more powerful and more influential in the region, that can arouse sensitivities and so it has to make a very constructive contribution to the affairs of the region. An illustration of that is the way China has played such a useful role in helping to promote the six-party talks with North Korea.

There is no doubt that a good constructive relationship with China is good for Australia, and I think that sentiment is very much reciprocated. But that is not to detract from the fact that we do have some differences with China and we should be able to talk about those differences. We obviously have very different political systems. This is a robust, liberal parliamentary democracy—China is certainly not that. We are concerned about copyright issues, about copyright protection, and we would like to see China do more in that particular area. The protection of intellectual property is quite a big issue on the trade agenda with China. Finally, we obviously have some human rights concerns with China. This government established in the late 1980s a bilateral human rights dialogue with China. I think we were either the first or the second country ever to do so. Through that, and on other ad hoc occasions, we do raise human rights issues of one kind or another with China.
But overall we very warmly welcome the visit by Premier Wen. It will be an opportunity to consolidate and strengthen our dynamic and mutually beneficial relationship. I think we have illustrated the point over the last few weeks that our relationship with the United States, through Secretary of State Condoleezza Rice’s visit, and our relationship with the United Kingdom, through Tony Blair’s visit—very traditional relationships for Australia—have never been stronger. But, at the same time, we have Premier Wen from China coming and we are able to build a strong relationship with that very different country in our broadly defined region. I think it is a good thing that we are able to do both—consolidate our relationships with our traditional friends and allies as well as build new linkages and relationships in Asia.

Oil for Food Program

Mr Rudd (2.52 pm)—My question is also to the Minister for Foreign Affairs. I refer to the foreign minister’s statement of 7 November 2005 on the $300 million ‘wheat for weapons’ scandal, when he said: ‘We provided every piece of information that we could find to the Volcker inquiry.’ Will the minister formally confirm to the parliament today that, with the exception of intelligence documents, every document provided by his department to the Cole inquiry had previously also been provided to the Volcker inquiry?

Mr Downer—We obviously provided full cooperation with the Volcker inquiry and I think, as the Prime Minister already said in answer to an earlier question today, that has been attested to by one of the people who worked for the Volcker inquiry. I seem to recall that when I visited Mr Volcker at the end of last year that was confirmed as well. As far as the Cole inquiry is concerned, we have obviously fully cooperated with him. Let me make this point: the Volcker committee was impressed with the cooperation of the Australian inquiry and, as a result of the Volcker inquiry—

Mr Rudd—Mr Speaker, my question was very short and to the point.

The Speaker—The member for Griffith, is this a point of order?

Mr Rudd—It is on relevance, Mr Speaker. Had every document he provided to the Volcker inquiry—

The Speaker—The member for Griffith will resume his seat. The minister is entirely in order.

Mr Downer—I have no knowledge whatsoever of us withholding documents from the Cole inquiry that we provided to the Volcker inquiry.

Defence

Mr Bartlett (2.55 pm)—My question is addressed to the Minister for Defence. Would the minister update the House on government investments in defence, including any changes to the Royal Australian Air Force’s heavy airlift capability?

Dr Nelson—I thank the member for Macquarie for his question and his very strong commitment to the Air Force presence at the Richmond base in his electorate. The first and most important priority of this government is the defence and security of Australians, Australia and its interests. Consistent with that, I announced on behalf of the government earlier this month that the government will purchase at least three and probably four C17 Globemasters, built by Boeing, through the United States Air Force. These are very big planes. They are about the size of a 747. They carry almost four times as much as a C130 Hercules, a plane which is very well known and familiar to everyday Australians.

It is important that we appreciate that, as the government builds the strength of Austra-
lia’s Defence Force, we have the capacity to move our people and our equipment not only into other parts of the world but to parts of Australia when we need them and where we need them—for example, the C17s, the first of which we expect to arrive in Australia before Christmas this year. If there is a cyclone in the western part of Australia which wreaks the kind of devastation that unfortunately we have seen with Cyclone Larry, one C17 can move from RAAF Richmond in Sydney to the west coast of this country in five hours—it would take four C130s 12 hours to do.

We are also determined that, as we face the future, Australia will continue to increase its investment in defence, and that requires two things. It requires political will and a government that is strongly committed to investment in defence and its people. The second thing it requires is money. This expenditure is around $2 billion of additional money, which Australia can afford to spend in addition to the $28½ billion the government announced in increased investment in defence in 2000. The reason the government can afford to do this is that this country has been extremely well led and managed economically over the last 10 years. This is about Australia’s future and we are determined to see that Australia is independent, that we will not have to rely on leasing ageing Antonov for heavy lift nor wait in queues for American airlift. Australia is and will increasingly become an independent country in every sense of the word.

National Security

Mr Rudd (2.58 pm)—My question is again to the Minister for Foreign Affairs. I refer to the Australian Federal Police investigation into the leak of the top-secret national security document entitled Iraq: humanitarian consequences to a Melbourne newspaper in June 2003. Will the foreign minister assure the parliament and the preselectors of Kooyong that no member of his then staff was responsible for leaking this national security document, which is a criminal offence?

Mr Downer—We have exhausted all questions on Iraq and now we are into the gutter. This was a long time ago, but as far as I recall—and the Attorney-General will correct my memory—there was an Australian Federal Police investigation into this leak and they produced a report. I think that report saw the end of the matter.

Transport

Mrs Hull (2.59 pm)—My question is addressed to the Minister for Transport and Regional Services. Would the minister advise the House of recent initiatives to strengthen the very valuable Australian transport sector?

Mr Truss—The obvious first answer to the honourable member’s question is that this government has put on the table $12.7 billion, under the AusLink program, to fund some of the major road and rail infrastructure projects that are essential to keeping our transport system working well. It is absolutely vital that we improve our infrastructure, given the prospect of Australia’s transport task doubling within 20 years. It will require a continuing commitment to ensure that the transport sector can play its role in a strong and vibrant economy.

Over the last couple of weeks, governments around Australia have responded to the National Transport Commission’s assessment of the costs of road transport and the implications for the provision of infrastructure. The NTC had recommended a 2.1c a litre increase in the fuel excise, effectively paid by the road transport industry, and increases in registrations on large trucks to around 30 per cent. I know that the prospect of these increases in costs was a matter of grave concern to members of the Australian
government, and I am pleased to report to the House that the Australian government has voted no to these proposed increases. I am pleased to note also that, having publicly professed support for these proposals, the states eventually rolled over and voted no to those proposals.

That does not mean that the government is opposed to cost recovery from the transport sector; we publicly support that objective, and so does the road transport industry.

Mr Tanner interjecting—

Mr TRUSS—The Australian transport industry itself supports—

Mr Tanner interjecting—

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

Mr TRUSS—The Australian Transport Industry Association supports cost recovery from the transport industry. The problem with these proposals was that they would have led to substantial over-cost recovery. No-one could justify that level of over-cost recovery, which comes from the fact that registration fees on small trucks—which are set by the states—are too high. Every year, the states increase registration fees whereas, over the last five years, the federal government has frozen excise. We have done our part to keep transport costs low, and it is time that the states also played a role.

That does not mean that we are anti-rail. Indeed, the country has been waiting for a very long period of time for the $2 billion that the government has put into rail infrastructure. Rail will play a vital role in our future transport tasks, and the government will support both rail and road to achieve maximum levels of efficiency. Instead of driving empty buses, it is time that the opposition started to drive some policy reform and support these key initiatives to get our country’s transport system working efficiently and well.

Oil for Food Program

Mr BEAZLEY (3.02 pm)—My question is to the Prime Minister. I refer to the Prime Minister’s refusal yesterday to expand the Cole commission’s terms of reference. Will the Prime Minister now confirm that, if these rorted terms of reference remain in force, the inquiry will have no power to conclude whether the foreign minister did his job in enforcing UN sanctions against Saddam Hussein; no power to conclude whether the foreign minister properly exercised his functions under the Customs (Prohibited Exports) Regulation; no power to conclude whether the Minister for Foreign Affairs, the Minister for Trade or the Prime Minister himself responded competently to the 27 sets of warnings received about this scandal; and no power to determine what the $300 million was used for by Saddam Hussein in military purchases and in the subsidisation of suicide bombers prior to the war? Prime Minister, haven’t you designed a cover-up that would make Richard Nixon proud?

Mr HOWARD—in answer to the first part of the question, the answer is no, I will not confirm that, because the assertions made by the Leader of the Opposition are wrong; therefore the conclusion that the Leader of the Opposition has reached is fatally flawed, as is the whole of the argument that he has advanced on this matter.

If the Leader of the Opposition bothers to listen, I will patiently and quietly take him through the sequence of how this works. If the Leader of the Opposition wants to know, again, how this works, let me tell him. Be he reminded that we had a request from the United Nations and, alone of sovereign governments around the world, the government have established a fully transparent inquiry to get to the bottom of the matter. Not only
has the inquiry been invited to find out whether AWB committed any crime; by its own declaration the inquiry has also been empowered to make findings of fact on the conduct of ministers and government officials.

From reading Mr Cole’s statement of 3 February, it is quite plain that, if the Minister for Foreign Affairs has not done his job in relation to this matter, Mr Cole will so find that. It is quite obvious that he will so find it in relation to the Minister for Trade. It is obvious he will find it in relation to me because, if you read the statement he made on 3 February, he said that he would be able to make findings of fact about the knowledge of ministers in respect of the behaviour of AWB and whether those ministers or their departments came into possession of matters that were relevant to the payment of kickbacks or bribes by AWB.

The statement I made last night was, I think, quite deliberately misquoted by the Leader of the Opposition. What I said last night—and I repeat it here today—was that, if I had been told by AWB that it was paying bribes to Saddam Hussein and I did nothing about it, it would be game over. Of course it would. But, interestingly enough, there is no evidence that that happened. Of course I was not told by AWB. Of course the minister was not. None of the ministers were. The reality is that the opposition are flailing around on this issue.

Mr Beazley interjecting—

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

Mr HOWARD—They have not been able to produce any evidence of wrongdoing by any of my ministers. They have not been able to produce evidence of any wrongdoing by any officers of the Department of Foreign Affairs and Trade. All the member for Griffith has done is to sneer at and denigrate the hardworking people of the Department of Foreign Affairs and Trade.

We alone of governments established a transparent inquiry. It is presided over by an eminent lawyer, somebody who is well regarded in the Australian community. I believe, as most Australians do, that what should happen is that Mr Cole should be allowed to get on with his job and get to the bottom of this matter. The government await that conclusion. The government will continue to cooperate with the inquiry. At the end of the day, this government will be able to look anybody in the eye and say, ‘We alone had the courage and the transparency to establish an inquiry with the powers of a royal commission.’ I believe the government have acted with entire and complete propriety in this whole matter.

Australian Defence Medal

Mrs GASH (3.08 pm)—My question is addressed to the Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence. Would the minister advise the House what action the government is taking to recognise with the Australian Defence Medal the services of current and former Defence Force personnel?

Mr BILLSON—Thank you to the member for Gilmore for her question. I should also acknowledge the member for Wakefield and, in fact, so many colleagues on both sides of the House who have shown a particular interest in this matter. The government is very committed to recognising with the Australian Defence Medal the service of about one million post World War II current and former ADF personnel. This medal is about recognising that those people have served this country and have fulfilled their military obligations to Australia. So the ADM is an award for service given to a grateful nation.
Her Majesty the Queen has now approved the official regulations and design of the award to acknowledge current and former ADF service men and women, regular and reserve personnel, volunteers and national servicemen—and I should acknowledge the presence in the gallery today of national service organisations representatives. These people who have served since World War II will be eligible to apply for this medal.

After extensive consultation with veterans organisations, the broader community, the service chiefs and in fact a number of people in this parliament, the eligibility criteria have been extended to include all post World War II ADF members who completed an initial enlistment period or four years of service, whichever is the lesser. Expanding on these criteria, we will accommodate those who lost their lives in service, who were medically discharged as a result of a permanent, compensable injury or those who were unable to reach their four years or initial commitment period as a result of workplace policies, such as the policy of some earlier times where female members were asked to leave if they married or became pregnant. These criteria recognise that those people have done what they undertook to do.

The medal has been created through an extensive process. This is a sample of the medal. You will see that it is a handsome, attractive and very dignified medal. It has inscribed on the back the words ‘For service’ to recognise that this is about acknowledging and saying thankyou to those people who fulfilled their undertakings to our nation since World War II. There is a circulation of information packs to all members of parliament; to ESOs, or ex-service organisations; and on the website as well. I hope all members in this House will encourage the deserving members of the ADF, present and past, to apply for this medal. We hope to have the medals available for presentation by mid-2006. They are in production. I commend this initiative to the House.

PRIME MINISTER
Censure Motion

Mr BEAZLEY (Brand—Leader of the Opposition) (3.12 pm)—I seek leave to move the following motion:

That this House censure the Prime Minister for:

(1) deliberately restricting the terms of reference of the Cole Inquiry to ensure the actions of the Prime Minister, his office and his Ministers for allowing AWB Limited to rort the UN Oil-For-Food Programme are not subjected to proper examination; and

(2) cravenly hiding behind Commissioner Cole to defend the Government’s continuing cover-up of its improper conduct in relation to the Wheat for Weapons scandal.

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 immediately:

That this House censure the Prime Minister for:

(1) deliberately restricting the terms of reference of the Cole Inquiry to ensure the actions of the Prime Minister, his office and his Ministers for allowing AWB Limited to rort the UN Oil-For-Food Programme are not subjected to proper examination; and

(2) cravenly hiding behind Commissioner Cole to defend the Government’s continuing cover-up of its improper conduct in relation to the Wheat for Weapons scandal.

This is the seventh attempt we have made to censure the government on this matter, and the government have cut and run on every one of them. They have absolutely refused to take a censure motion in this place, apart from on day one, on a matter which is the greatest scandal this country has ever confronted. The Prime Minister, in his last an-
swer to me, continued the deliberate misleading of this chamber and the Australian people. Let me quote from the correspondence of the Cole commission to the opposition, when we pointed out to the Cole commission that we did not consider that the commission had sufficient powers to make determinations about the conduct of ministers in relation to a number of matters and that there was in fact unequal treatment between those people who are involved with the Wheat Board’s activities and those who are government agents, including ministers, associated with the approval regime. This is what the commission said to us:

Seeking amendment to clarify terms of reference, or to address peripheral and anomalous circumstances which arise during the course of an inquiry may be regarded as appropriate conduct by a commissioner. However, it would not be appropriate for a commissioner to seek amendment of the terms of reference to address a matter significantly different to that in the existing terms of reference. The suggestion, implicit and perhaps explicit in the opinion and submission forwarded by you, that the commissioner should seek amendments to the terms of reference to enable him to determine whether Australia has breached its international obligations, or a Minister has breached obligations imposed upon him by Australian regulations falls, with respect, within the latter category.

That is, outside their frame of reference.

There is no question that the Cole commission does not have powers to make those determinations. The Prime Minister wants in his answers in this place to clothe himself with the Volcker committee report on the activities of the Wheat Board—the report that revealed those most shameful and scandalous of circumstances. That committee, we find out, was deliberately frustrated for a substantial period in its considerations by the activities of the minister and the minister’s department, no doubt on the directions of the minister. The Volcker inquiry was deliberately misled by the Prime Minister, and we find out subsequently—

The SPEAKER—Order! The Leader of the Opposition has moved a suspension; he has not moved a censure motion.

Mr BEAZLEY—It is a censure motion, Mr Speaker. We have to have this mentioned.

The SPEAKER—The words ‘deliberately misled’ are more appropriate for a debate on a censure motion.

Mr BEAZLEY—that is precisely the point, Mr Speaker. On seven occasions now we have attempted to move a censure motion in this place. I would have thought the job of the Speaker in this House was to facilitate the procedures of the House and the accountability of the government.

Honourable members interjecting—

The SPEAKER—I recognise the Leader of the Opposition.

Mr BEAZLEY—that is precisely the matter is that we have to debate this censure motion, because of the significance and the importance of the issues involved. The fact is that, even after the Prime Minister’s alleged intervention to talk about collaboration, evidence has been presented that officials of the Prime Minister’s office were suggesting to the AWB officials appearing before the Volcker committee that they should keep themselves limited just to technical issues and that they did not have to volunteer information. The cover-up continued.

But, even so, the reason this government is culpable in all the horror stories of the breaches of those sanctions is that there is no other government anywhere else in the world which has been so deeply linked to the people who were breaching the sanctions, the approval processes associated with the way in which the sanctions were breached and, at the very outset, the actual ownership of the agency which breached the sanctions. There
is no government so intimately committed in this way anywhere else in the world—only here. That is why the government’s activities and the AWB’s activities must be examined, and that is why we have to have this debate now.

Last night the Prime Minister said:

... it stands to reason that if Cole finds that Downer or Howard were told by AWB that it was paying kickbacks and we did nothing about it, it would be game over.

Well, Prime Minister, it is game over. That is his own judgment and his own say. But I say this today, Prime Minister: with a government that ignored 27 warnings of AWB sanction-busting bribes, what should the verdict be? Game over. With a government that has deliberately hampered the investigations of the Volcker inquiry, what should the verdict be? Game over. When a government ignored the warnings of its own intelligence agencies, warnings which included the name of the company doing the defrauding of the sanctions—a company owned in part by Saddam Hussein’s family—and ignored all that was revealed to the government, and did nothing about it, I would say, Mr Prime Minister: game over. When you have a government up to its neck in a cover-up, full of bluster and bluff, roting Cole’s terms of reference to save the political life of its incompetent, disgraced and discredited foreign minister, it is game well and truly over.

The Prime Minister now says that he wants to know just how the ‘wheat for weapons’ scandal came about; how Australia rotted United States sanctions and helped propel Australia into the war in Iraq; how it was that AWB donated $300 million to Saddam Hussein’s regime—money to buy the guns aimed at our troops; how Australian dollars strengthened the pre-war Iraqi regime and gave support to the insurgency; how his government ignored the 27 warnings about AWB’s kickbacks—the flashing red lights, the flood of cables to the Prime Minister and his foreign minister alerting them, warning them, telling them just what AWB was up to; and how his government, after the war in Iraq, allowed the AWB, despite the warnings, to continue its corrupt dealings for another year and a half.

On television last night the Prime Minister looked down the camera and declared that he wanted to know three things: whether any crime was committed by his ministers; what his ministers knew about what AWB was doing; and what his ministers did about what they knew. I commend the Prime Minister for his new-found and apparently forensic interest in getting to the bottom of this shameful mess of deceit and corruption. I am pleased to tell him that uncovering the truth rests entirely with him. It is very simple, Prime Minister: just walk out of this parliament, pick up the suggested reference we tabled for you today and give it to the Cole commission. Unless the Prime Minister does that, there will be no determination on those matters. They will not follow forensically the trail of intelligence advice they have been presented with; they will simply note it. They will not follow forensically the advice that came to the government immediately after the war that every single contract contained a bribe; they will not follow that. They will not follow all the other evidence associated with the cables that came in advising the government that there ought to be some investigation of matters, when it was being suggested that roting and sanctions busting were taking place. The Cole commission will not go down that road.

The Cole commission will not go down the road of making a determination on the competence with which ministers handled this matter when they so massively traduced the international reputation of Australia by permitting and turning a blind eye to the
most corrupt of dealings with the most savage of dictators, who used those funds subsequently against Australian troops, who continued to have those bribes delivered, for all intents and purposes as far as we know, some of it ending up in funding the insurgency which is now taking place and which is killing American soldiers, killing allied soldiers and killing Iraqi citizens.

A decent government would want to get to the bottom of that. A decent government with a sense of responsibility, ministers with a sense of responsibility, would want to get to the bottom of that. We were praising Tony Blair here a day or so ago. You would never have got away with this in the Westminster system and you should not get away with it now, which is why we must debate this censure motion. (Time expired)

The SPEAKER—Is the motion seconded?

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

Mr ABBOTT (Warringah—Leader of the House) (3.23 pm)—As the member for Lalor famously said of the Leader of the Opposition in her now notorious Australian Story interview, he is trying—he is very trying—and, on today’s evidence, he certainly is not succeeding in making any kind of a case against this government and its ministers. By his behaviour in this House today and throughout this week, he is confirming the correctness of the member for Lalor’s criticism of the parliamentary tactics that he has been pursuing for these last two months.

The Leader of the Opposition has claimed in his suspension motion that the government has deliberately restricted access to the Cole royal commission. This is a total untruth. This is completely unfair to the record of this government, as is recognised by a very senior official of the Volcker inquiry who was reported in the Australian today. As that senior official made very clear, no government on earth has cooperated with the Volcker inquiry more fully or responded with more openness and transparency to the Volcker findings than this government of Australia.

It is absolutely obvious from the Leader of the Opposition’s speech—carefully written and typed out for him and badly read with the kind of falsetto passion for which he has become notorious—that members opposite are not interested in the Cole inquiry. They do not care what the Cole inquiry investigates. They do not care what the Cole inquiry finds. As far as they are concerned, this government is guilty. It does not matter what Cole talks about or investigates; as far as members opposite are concerned, the government is guilty. We are always guilty as far as they are concerned. It does not matter what we do, we are guilty of incompetence and impropriety! It shows the desperation of members opposite—it does not matter what we do, their tune is always the same. If there is one characteristic of this opposition that distinguishes it and debases it compared with the Labor Party in times past, it is that it is never prepared to give any credit to anyone, particularly anyone from this government.

Today we saw absolutely nothing new—no new material, no new arguments. It was just the recycled leader recycling his indignation. The reason that all this bluff and bluster from the opposition in every question time since December last year is simply not washing with the general public is that the general public understand that there is something utterly implausible about the allegation that a government which was contemplating military action against Saddam Hussein should have simultaneously been knowingly funding Saddam Hussein. It is utterly implausible that this would be the case. That is why the general public are perfectly content not to listen to the bluster of the Leader of the Opposition but to wait for the forensic
investigations of former Justice Terry Cole, a judge of the highest integrity and the highest standing, who should be allowed to get on with his job.

Every day that the Leader of the Opposition focuses on this matter is another day when he does not have to deal with what is really his most pressing responsibility, and that is sorting out the problems inside his own party. As the member for Lalor said very rightly in her excellent— in many respects— speech to the Sydney Institute, the Australian people will never trust with government someone who cannot govern his own party.

Mr Beazley—Mr Speaker, I rise on a point of order. I would really love to hear all this in a censure motion debate, if we had the opportunity. But, as we do not have the opportunity, could you confine the Leader of the House in his remarks, as I was confined, to the motion before the chair.

The SPEAKER— I call the Leader of the House. I will listen carefully to his comments and I remind him of the motion before the chair.

Mr Abbott—The fact is that the Leader of the Opposition was given licence to speak widely across this issue, and I am doing no more and no less than the Leader of the Opposition. I am speaking to the same topics that he spoke to. He claims that this government has shown a lack of competence and a lack of propriety in government. I say to him that he has shown a lack of competence and a lack of propriety in opposition. If he is not capable of running a decent and a competent opposition, he certainly is not capable of running a decent and a competent government. This Leader of the Opposition was a failure as a defence minister, he was a failure as a telecommunications minister, he was a failure as a finance minister—

Mr Beazley—Mr Speaker, I rise on a point of order. The simple fact of the matter is that all of this could be properly discussed in a debate on a censure motion to which he had moved an amendment. But, quite frankly, with this particular motion he is precluded by the tactics he has pursued from an opportunity to discuss me.

The SPEAKER—The Leader of the Opposition moved a motion and spoke in a reasonably wide-ranging debate. I believe that the Leader of the House is in order and I call the Leader of the House.

Mr Abbott—Thank you, Mr Speaker. I am only too happy to debate this issue up hill and down dale. This government has debated this issue non-stop in every question time since December last year. We have never gagged any motion that the Leader of the Opposition has sought to move.

Opposition members interjecting—

The SPEAKER—Order! I remind members on my left that the Leader of the Opposition was heard in silence.

Mr Abbott—We have never gagged any of them. We have allowed him to move his motions for suspension day in and day out. We are perfectly happy to let him keep moving these motions, because every time he moves these slightly hysterical motions, every time he sits opposite and interjects maniacally, people are starting to understand that the decent Kim Beazley who they thought they knew has somehow transmuted into a man who is visibly losing it.

Mr Beazley—Mr Speaker, I raise a point of order. All of this is entirely justified in a censure motion, if they want to move a censure motion on me.

The SPEAKER—The Leader of the Opposition will resume his seat. The Leader of the House is in order, and I call the Leader of the House.
Mr ABBOTT—The Leader of the Opposition gave his censure speech in the guise of discussing a suspension motion. We know he did, because he had a long typescript—

Mr Beazley—Not at all.

Mr ABBOTT—which he read, and read badly. So I am perfectly entitled to respond in kind.

Mr Beazley—No, you’re not.

Mr ABBOTT—What we are seeing from this Leader of the Opposition, who cannot keep quiet for a moment, who constantly has to psych himself up with this non-stop chatter, is someone who is visibly losing it. I never thought—

Mr Beazley—Mr Speaker, on a point of order: this has absolutely nothing to do with the motion.

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

Mr Beazley—He ought to allow the debate to proceed if he wants to offer insulting remarks.

The SPEAKER—The Leader of the Opposition will resume his seat! The Leader of the House is entirely in order.

Mr Albanese—Mr Speaker, on the point of order from the Leader of the Opposition: I refer you to page 333 of House of Representatives Practice.

The SPEAKER—The member for Grayndler will resume his seat. I have already ruled on that point of order.

Mr ABBOTT—I used to think that the former member for Werriwa, Mark Latham, had been very unfair to the Leader of the Opposition. I thought it was very unfair, but I now think he is right. Mr Latham said—

Mr Edwards—On a point of order, Mr Speaker: what can this possibly have to do with the motion that is before the House?

The SPEAKER—The member for Cowan will resume his seat. The Leader of the House has hardly been able to get back to his speech without another interruption. I call the Leader of the House.

Mr ABBOTT—Let me make it very clear: as Commissioner Cole has said in writing, he has every capacity to consider what ministers knew and what they did and he will make findings on those—(Time expired)

Mr RUDD (Griffith) (3.33 pm)—What a gutless Leader of the House, what a spineless Leader of the House, what a pathetic Leader of the House to not have the courage to allow a censure motion to be properly debated here. Instead he uses this as an opportunity to engage in personal ridicule of the Leader of the Opposition. If you had any guts at all, you would agree to the debate on the censure motion proceeding. You have demonstrated your gutlessness today.

This is a matter of urgency because we do not have a Prime Minister in this parliament anymore; we have the king of cover-up. And that is the essence of the motion which we have sought to have debated in this parliament today. The king of cover-up started his work with Dubai, did his further studies when it came to ‘children overboard’ and did his postgraduate work when it came to pre-war intelligence on Iraq. But I have to say that his post-doctoral work is now done with this ‘wheat for weapons’ scandal and the rorted terms of reference he has provided to the Cole inquiry. This is a cover-up from beginning to end, and any reasonable observer of these events knows it.

Why is it that this Prime Minister is engaging in cover-up? There is one core reason, and that reason sits on the government front bench. It is a very big reason, and its name is Alexander Gosse Downer, whose credibility day by day in the week that has passed—
Mr Rudd—the foreign minister sits over there, and his credibility day by day has evaporated before our very eyes. He is incapable of providing any answer to any question concerning his responsibility for this $300 million ‘wheat for weapons’ scandal—a ‘wheat for weapons’ scandal which delivered money to the enemy. No greater act of treachery could be delivered to the Australian armed forces than to allow $300 million to go into the hands of an enemy with whom you are on the cusp of going to war.

This minister, who does not have the guts to be present during this debate, had the responsibility under Australian law to ensure that did not happen. And this minister, the foreign minister, failed to discharge his duties to the Australian people. More importantly, he failed to discharge his duties to our men and women in uniform. He allowed money to go to the enemy to buy weapons for use against Australian troops.

This Prime Minister has sought to defend his rorted terms of reference—terms of reference which he has rorted for one reason alone, which is to defend the foreign minister. He has tried to advance two reasons as to why these rorted, narrow terms of reference are somehow defensible. The first is this: he says, ‘The United Nations didn’t ask us to do anything else.’ If you look at the UN report, the Volcker inquiry, you will see that it was established to examine the role of the UN and UN suppliers. It had no mandate to examine the role of national governments in the first place. But even given that, when the Secretary-General of the United Nations made his statement after the Volcker inquiry report was delivered, even he referred to the fact that each of these supply contracts had to be certified. By whom? By national governments. And which national government certified the biggest slosh bucket full of money over to Saddam Hussein? This government here.

There are three players in this scandal: the United Nations is the first, AWB is the second and the Australian government is the third. Guess what? We have had an inquiry into the United Nations—that is, the Volcker inquiry; we are having an inquiry into AWB—that is, the Cole inquiry; but have no inquiry whatsoever into the third player, which, of course, is the Howard government.

The Prime Minister’s second defence is that findings of fact can be made. He knows full well as he stands at the dispatch box that those findings can only be made in relation to whether the AWB should be charged with a criminal matter. He knows that. He stands before us in this act of defiant cover-up each day. We have before us a government which has failed its most fundamental task of national security. Instead of acting as a government and recognising that it has a case to answer, or at least recognising that it has a sense of responsibility—and, I have to say, shame—its recourse is one standard extract from the John Howard text of political survival: cover-up, cover-up and cover-up. (Time expired)

Question put:
That the motion (Mr Beazley’s) be agreed to.
The House divided. [3.42 pm]
(The Speaker—Hon. David Hawker)

| Ayes          | 56 |
|              |    |
| Noes          | 80 |
| Majority      | 24 |

AYES
Albanese, A.N. Bevis, A.R. Bowen, C. Byrne, A.M. Crean, S.F. Edwards, G.J.
Mr Howard—Mr Speaker, I ask that further questions be placed on the Notice Paper.

MR MICK FARRELLEY

The SPEAKER (3.48 pm)—I would like to take this opportunity to mark the resignation from the parliamentary service of Mr Mick Farrelley, after long and distinguished service. Mick joined the Department of the Parliamentary Library on 21 April 1969 and moved to the Hansard section of the Department of the Parliamentary Reporting Staff in December 1975. Mick was instrumental in establishing a dedicated Corporate Services Branch in DPRS in February 1990. He transferred to the new Department of Parliamentary Services in February 2004 and he leaves the department on 7 April 2006, with his service to the parliament falling just two weeks short of 37 years. His service to the parliament was recognised when he was awarded a Centenary of Federation Medal. Mick has worked in Old Parliament House, East and West blocks and in this building. I am sure we all thank him for his time with the parliament. I wish him well for the next phase of his life.

QUESTIONS TO THE SPEAKER

Parliament House: Security

The SPEAKER (3.49 pm)—Yesterday the Manager of Opposition Business asked me a question regarding security screening...
of members when entering the building. I am advised that this year there have been a small number of incidents reported of members failing to fully comply with the requirements to submit themselves to security screening on entering Parliament House. I have adopted the practice of raising these matters privately with members rather than raising them publicly. The failure of a small number of members to comply with the requirements made of all building occupants continues to provide concern to me. I urge all members to comply with the screening requirements and recognise their responsibility to provide leadership in upholding the security requirements of this building.

PERSONAL EXPLANATIONS

Mrs BRONWYN BISHOP (Mackellar) (3.50 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mrs BRONWYN BISHOP—I do indeed.

The SPEAKER—Please proceed.

Mrs BRONWYN BISHOP—Yesterday the Manager of Opposition Business implied that I was a security threat. This is totally incorrect. I am no more a security threat than the Leader of the Opposition, who, on Monday, failed to go through any security provisions at all. Whilst I am convinced he is no security threat, I think this is a cheap way for the Manager of the Opposition Business to attack her leader.

The SPEAKER—Order! The member for Mackellar will resume her seat.

SPECIAL ADJOURNMENT

Mr ABBOTT (Warringah—Leader of the House) (3.50 pm)—I move:

That the House, at its rising, adjourn until Tuesday, 9 May 2006, at 2.00 pm, unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker fixes an alternative day or hour for the meeting.

Question agreed to.

LEAVE OF ABSENCE

Mr ABBOTT (Warringah—Leader of the House) (3.51 pm)—I move:

That leave of absence be given to every Member of the House of Representatives from the determination of this sitting of the House to the date of its next sitting.

Question agreed to.

DOCUMENTS

Mr ABBOTT (Warringah—Leader of the House) (3.51 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings. I also present documents on the following subjects, being petitions which are not in accordance with the standing and sessional orders of the House.

Relating to Government funding of mammograms—from the member for Banks—433 Petitioners

Relating to income and health support for asylum seekers—from the member for Chisholm—1774 Petitioners

In support of reinstatement of calcium supplements onto the PBS—from the member for Charlton—32 Petitioners

Relating to the upgrade of the Bruce Highway—from the member for Fairfax—198 Petitioners

Relating to the absence of a medical practitioner at the Morisset Medical Centre—from the member for Charlton—1143 Petitioners

Relating to Herceptin being made available on the Pharmaceutical Benefits Scheme—from the member for Chisholm—734 Petitioners

Relating to the availability of RU 486—from the member for Chifley—312 Petitioners

Relating to the ‘Make Poverty History’ campaign—from the member for Deakin—1966 Petitioners
Relating to the closure of the Post Office at the Marketplace Shopping Complex in Bendigo—from the member for Bendigo—4791 Petitioners

MATTERS OF PUBLIC IMPORTANCE

Government Standards

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

The Government’s double standards, which see average Australians exposed to extreme industrial relations laws but Ministers not exposed to the scrutiny of the Cole Inquiry.

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

More than the number of members required by the standing orders having risen in their places—

Mr ABBOTT (Warringah—Leader of the House) (3.52 pm)—I move:

That the business of the day be called on.

Question put.

The House divided. [3.56 pm]

(The Speaker—Hon. David Hawker)

Ayes……………… 77

Noes……………… 55

Majority……….. 22

AYES

Abbott, A.J. * 
Andrews, K.J. 
Baird, B.G. 
Baldwin, R.C. 
Bartlett, K.J. 
Bishop, B.K. 
Broadbent, R. 
Cadman, A.G. 
Colbo, S.M. 
Costello, P.H. 
Dutton, P.C. 
Entsch, W.G. 
Fawcett, D. 
Forrest, J.A. * 
Georgiou, P. 
Hardgrave, G.D. 
Henry, S. 
Jensen, D. 
Jull, D.F. 
Kelly, D.M. 
Laming, A. 
Lindsay, P.J. 
Macfarlane, I.E. 
McArthur, S. * 
Nelson, B.I. 
Panopoulos, S. 
Prosser, G.D. 
Randall, D.J. 
Robb, A. 
Schultz, A. 
Secker, P.D. 
Smith, A.D.H. 
Southcott, A.J. 
Ticehurst, K.V. 
Truss, W.E. 
Turnbull, M. 
Vale, D.S. 
Wakelin, B.H. 
Wood, J. 

NOES

Adams, D.G.H. 
Beazley, K.C. 
Bird, S. 
Burke, A.S. 
Corcoran, A.K. 
Danby, M. * 
Elliot, J. 
Ellis, K. 
Ferguson, L.D.T. 
Fitzgibbon, J.A. 
Georganas, S. 
Gillard, J.E. 
Hall, J.G. * 
Hayes, C.P. 
Jenkins, H.A. 
King, C.F. 
Macklin, J.L. 
McMullan, R.F. 
Murphy, J.P. 
O’Connor, G.M. 
Pillersek, T. 
Quick, H.V. 
Roxon, N.L. 
Sawford, R.W. 

Gambaro, T. 
Haase, B.W. 
Hartsuyker, L. 
Hull, K.E. 
Johnson, M.A. 
Keenan, M. 
Kelly, J.M. 
Ley, S.P. 
Lloyd, J.E. 
Markus, L. 
Nairn, G.R. 
Neville, P.C. 
Pearce, C.J. 
Pyne, C. 
Richardson, K. 
Ruddock, P.M. 
Scott, B.C. 
Slipper, P.N. 
Somlyay, A.M. 
Thompson, C.P. 
Tollner, D.W. 
Tuckey, C.W. 
Vaile, M.A.J. 
Vasta, R. 
Washer, M.J. 

Albanese, A.N. 
Bevis, A.R. 
Bowen, C. 
Byrne, A.M. 
Crean, S.F. 
Edwards, G.J. 
Ellis, A.L. 
Emerson, C.A. 
Ferguson, M.J. 
Garrett, P. 
George, J. 
Griffin, A.P. 
Hatton, M.J. 
Irwin, J. 
Kerr, D.J.C. 
Lawrence, C.M. 
McClelland, R.B. 
Melham, D. 
O’Connor, B.P. 
Owens, J. 
Price, L.R.S. 
Ripoll, B.F. 
Rudd, K.M. 
Sercombe, R.C.G.
Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Clause 2, page 2 (table item 2), omit the table item, substitute:

2. Schedules 1 to 3

A single day to be fixed by Proclamation.

However, if any of the provision(s) do not commence within the period of 6 months beginning on the day on which this Act receives the Royal Assent, they commence on the first day after the end of that period.

(2) Schedule 1, item 1, page 4 (lines 5 to 13), omit the item, substitute:

1 Subsection 5(1)

Insert:

stored communication means a communication that:

(a) is not passing over a telecommunications system; and

(b) is held on equipment that is operated by, and is in the possession of, a carrier; and

(c) cannot be accessed on that equipment, by a person who is not a party to the communication, without the assistance of an employee of the carrier.

(3) Schedule 1, item 2, page 4 (line 29) to page 5 (line 6), omit paragraph 5E(1)(c), substitute:

(c) could, if established, render the person committing the contravention liable:

(i) if the contravention were committed by an individual—to pay a pecuniary penalty of 180 penalty units or more, or to pay an amount that is the monetary equivalent of 180 penalty units or more; or

(ii) if the contravention cannot be committed by an individual—to pay a pecuniary penalty of 900 penalty units or more, or to pay an amount that is the monetary equivalent of 900 penalty units or more.

(4) Schedule 1, item 2, page 5 (lines 20 to 25), omit section 5F, substitute:

5F When a communication is passing over a telecommunications system

(1) For the purposes of this Act, a communication:

(a) is taken to start passing over a telecommunications system when it is sent or transmitted by the person sending the communication; and

(b) is taken to continue to pass over the system until it becomes accessible to the intended recipient of the communication.

(2) However, if a communication is sent from an address on a computer network operated by or on behalf of the Australian Federal Police, it is taken not to start passing over a telecommunications system, for the purposes of this Act, until it is no longer under the control of any of the following:

(a) any AFP employee responsible for operating, protecting and maintaining the network;

(b) any AFP employee responsible for enforcement of the professional
standards of the Australian Federal Police.

(3) Subsection (2) ceases to have effect at the end of the period of 2 years starting at the commencement of this section.

(5) Schedule 1, item 2, page 5 (line 27), before “For the purposes”, insert “(1)”.

(6) Schedule 1, item 2, page 6 (after line 2), at the end of section 5G add:

(2) In addition to the person who is the intended recipient of a communication under subsection (1), if a communication is addressed to a person at an address on a computer network operated by or on behalf of the Australian Federal Police, each of the following is also an intended recipient of the communication for the purposes of this Act:

(a) any AFP employee responsible for operating, protecting and maintaining the network;

(b) any AFP employee responsible for enforcement of the professional standards of the Australian Federal Police.

(3) Subsection (2) ceases to have effect at the end of the period of 2 years starting at the commencement of this section.

(4) If subsection (2) applies to a communication, a reference in this Act (other than in this section) to the intended recipient of the communication is taken to be a reference to an intended recipient of the communication.

(7) Schedule 1, item 9, page 9 (lines 12 and 13), omit paragraph 108(1)(b), substitute:

(b) the person does so with the knowledge of neither of the following:

(i) the intended recipient of the stored communication;

(ii) the person who sent the stored communication.

(8) Schedule 1, item 9, page 9 (after line 18), after subsection 108(1), insert:

(1A) Without limiting paragraph (1)(b), a person is taken for the purposes of that paragraph to have knowledge of an act referred to in paragraph (1)(a) if written notice of an intention to do the act is given to the person.

Note: For giving notice, see section 28A of the Acts Interpretation Act 1901.

(9) Schedule 1, item 9, page 10 (line 27), omit “device.”, substitute “device; or”.

(10) Schedule 1, item 9, page 10 (after line 27), after paragraph 108(2)(g), add:

(h) accessing a stored communication by an officer or staff member of the Australian Communications and Media Authority engaged in duties relating to enforcement of the Spam Act 2003.

(11) Schedule 1, item 9, page 26 (lines 17 to 25), omit section 138, substitute:

138 Employee of carrier may communicate information to enforcement agency

(1) An employee of a carrier may, for a purpose or purposes connected with the investigation by the Australian Communications and Media Authority of a serious contravention or with the performance of its functions relating to enforcement of the Spam Act 2003, and for no other purpose, communicate to an officer or staff member of the authority the following:

(a) lawfully accessed information other than foreign intelligence information;

(b) stored communications warrant information.

(2) An employee of a carrier may, for a purpose or purposes connected with the investigation by any other enforcement agency of a serious contravention, and for no other purpose, communicate to an officer or staff member of the agency the following:

(a) lawfully accessed information other than foreign intelligence information;
(b) stored communications warrant information.

(12) Schedule 1, item 9, page 27 (lines 19 to 26), omit paragraph 139(3)(c), substitute:

(c) could, if established, render the person committing the contravention liable:

(i) if the contravention were committed by an individual—to pay a pecuniary penalty of 60 penalty units or more, or to pay an amount that is the monetary equivalent of 60 penalty units or more; or

(ii) if the contravention cannot be committed by an individual—to pay a pecuniary penalty of 300 penalty units or more, or to pay an amount that is the monetary equivalent of 300 penalty units or more.

(13) Schedule 1, item 19, page 45 (line 14), omit “or 3-2”.

(14) Schedule 1, page 45 (after line 20), after item 20, insert:

Intelligence Services Act 2001

20A Paragraph 14(2A)(a)


24A Section 5


24B Subsection 313(7)

Omit “interception services”, substitute “interception or access services”.

24C Subsection 313(7)

Omit “under the Telecommunications (Interception) Act 1979”, substitute “or a stored communications warrant under the Telecommunications (Interception and Access) Act 1979”.

24D Subsection 313(8)

Omit “interception services”, substitute “interception or access services”.

24E Subsection 313(8)

After “intercepted”, insert “or accessed”.

24F Subsection 324(2)


24G Section 332K (note)


24H Subsection 313(7)

Omit “interception services”, substitute “interception or access services”.

24I Subsection 313(8)

Omit “under the Telecommunications (Interception) Act 1979”, substitute “or a stored communications warrant under the Telecommunications (Interception and Access) Act 1979”.

(16) Schedule 2, item 7, page 63 (lines 8 and 9), omit subparagraph 46(1)(d)(ii), substitute:

(ii) another person is involved with whom the particular person is likely to communicate using the service; and

(17) Schedule 2, page 63 (after line 30), at the end of the Schedule, add:

11 After paragraph 100(1)(ee)

Insert:

(ed) in relation to applications of a kind referred to in paragraph (a), (b), (c), (d) or (e), the relevant statistics about applications of that kind that relate to warrants in relation to which subparagraph 46(1)(d)(ii) would apply if the warrants were issued; and

(ee) how many Part 2-5 warrants issued during that year on application made by the agency or authority were warrants in relation to which subparagraph 46(1)(d)(ii) applied; and
(ef) how many Part 2-5 warrants renewed during that year on application made by the agency or authority were warrants in relation to which subparagraph 46(1)(d)(ii) applied; and

12 After paragraph 100(2)(ee)
Insert:
(ed) in relation to applications of a kind referred to in paragraph (a), (b), (c), (d) or (e), the relevant statistics about applications of that kind that relate to warrants in relation to which subparagraph 46(1)(d)(ii) would apply if the warrants were issued; and

(ee) how many Part 2-5 warrants issued during that year were warrants in relation to which subparagraph 46(1)(d)(ii) applied; and

(ef) how many Part 2-5 warrants renewed during that year were warrants in relation to which subparagraph 46(1)(d)(ii) applied; and

13 At the end of paragraphs 101(1)(a), (b) and (c)
Add “and”.

14 After paragraph 101(1)(d)
Insert:
(da) in relation to periods of a kind referred to in paragraph (a), (b), (c) or (d), the averages of the periods of that kind that relate to warrants in relation to which subparagraph 46(1)(d)(ii) applied; and

15 At the end of paragraphs 101(2)(a), (b) and (c)
Add “and”.

16 After paragraph 101(2)(d)
Insert:
(da) in relation to periods of a kind referred to in paragraph (a), (b), (c) or (d), the averages of the periods of that kind that relate to warrants in relation to which subparagraph 46(1)(d)(ii) applied; and

18 Schedule 5, item 35, page 85 (lines 1 to 5), omit the item, substitute:

35 Section 82
Repeal the section.

19 Schedule 5, page 85 (after line 5), at the end of the Schedule, add:

36 At the end of paragraph 86(1)(a)
Add “and”.

37 After paragraph 86(1)(b)
Insert:
and (ba) is entitled to have full and free access at all reasonable times to the General Register and the Special Register; and

38 Paragraph 86(1)(c)
After “agency”, insert “or the General Register or Special Register”.

39 At the end of section 86
Add:

(3) The Ombudsman’s powers include doing anything incidental or conducive to the performance of any of the Ombudsman’s functions under this Part.

Mr RUDDOCK (Berowra—Attorney-General) (4.02 pm)—I move:

That the amendments be agreed to.

Ms ROXON (Gellibrand) (4.02 pm)—In the other place, the government voted down Labor’s sensible suggested amendments and protections to the Telecommunications (Interception) Amendment Bill 2006, which were going to provide better protection for the B-party interceptions that are proposed under this regime. Labor recognises that the bill taken as a whole is an advance for privacy and for the scrutiny that will apply for these new interceptions. However, we were concerned that the B-party content of this bill was not time critical and not subject to the stored communication sunset clause which has caused this bill to be dealt with in great
haste. In those circumstances, it seems to us that it would have been possible for the government to agree to our proposal to delay consideration of schedule 2, but this proposal from Labor has been refused.

Even when the debate on this matter was on in the other place, we were concerned that the government had not to date brought forward its legislation to establish a commission for law enforcement integrity. That legislation has now been introduced into the House after two years of the government promising that it would deliver it. On a number of occasions when we were required and requested to support this sort of legislation, Labor noted that we were concerned that the government was going to both broaden its powers and provide new powers to a number of agencies without this integrity commission being in place. We welcome the introduction of this legislation by the government. It is detailed legislation and we will be looking more closely to ensure that the oversight body does have the powers that it needs, including any relevant powers that it needs for overseeing the new TI regime and making sure that it is safe and effective from an anti-corruption point of view.

As I say, the Labor Party has been concerned that the B-party interception provisions were not time critical, were not covered by the oversight of a federal anticorruption commission, were not covered by the reasonable safeguards that were recommended by an all-party Senate committee and were not covered by the safeguard amendments that Labor developed as a result of the committee recommendations and that were moved as amendments in the other place.

At least Labor took the time to develop the amendments, which were based on those committee recommendations. We did this in less than 24 hours with the limited resources that are available to the opposition. The Attorney-General failed to even bother to develop amendments of his own to cover these matters, despite having the resources of an entire department at his disposal. I well know this, because, even in speaking on relatively minor legislation in the Main Committee, I have on a number of occasions in recent days counted seven or eight officials. But when it comes to something that is as significant as this, where detailed recommendations are made by a Senate committee, the government says that it does not have time to consider those properly and move amendments that would take account of those unanimous recommendations.

Instead of dealing with those recommendations while the bill is at hand, the government has given some sort of vague commitment that it will look at these in the future. But really, Minister, there is no excuse for having taken this amount of time. You could have looked at those recommendations when they were made on Monday. The way this chamber works to deal with matters expeditiously would have enabled the minister to move appropriate amendments, but he has taken a lazy approach and not bothered to do that. This reflects the contempt of this government, and particularly this minister, for the process in trying to get urgent legislation through. The result comes at a cost and there is a compromise: the government is not getting the best sort of legislation through, because it could improve it. It also shows a serious contempt for the minister’s own backbench members who wrote the recommendations of the Senate committee report and are after all trying to represent the Aus-
tralian community and put forward the best piece of legislation possible. It is a lazy approach by the minister. He should motivate himself to actually look at the amendments that we moved in the other place and that would have fixed this weak piece of legislation. We urge the government to do so at the earliest opportunity. *(Time expired)*

**Mr RUDDOCK** (Berowra—Attorney-General) (4.07 pm)—I thought we were going to have a pleasant afternoon, but the honourable member for Gellibrand has seen fit to personalise the comments that she has made in a way that I think reflects a fundamental misunderstanding of the processes of the House as well as the processes of the government in considering legislation.

*Ms Roxon interjecting*—

**Mr RUDDOCK**—Our party room likes to be informed. It is informed by a back-bench committee consideration, and they like to have the material before them as they do consider bills, I can assure the opposition that the consideration that is given is substantial and effects improvements to legislation quite frequently. That is the task that they like to undertake.

The Senate committee took some weeks. They would say that it was an expeditious consideration of this bill. But it was some weeks, and the committee report was tabled on Monday. I want to thank the Senate Legal and Constitutional Legislation Committee for their consideration and report. I have read it with interest. A number of amendments have been made to the Telecommunications (Interception) Amendment Bill 2006 in recognition of issues that were raised by our colleagues. Those government amendments that were moved took into account matters that were raised before the committee where we had to divine whether or not they would make recommendations. Many of the amendments that we proposed and that have been accepted by the Senate reflected that consideration.

The government has illustrated its commitment in this bill to ensure that security and law enforcement agencies are equipped with appropriate powers to combat and prevent serious crime, including terrorism. Specifically, the bill updates these powers to keep pace with technological developments that assist the suspects evading investigation. This bill represents the most substantial reforms to the interception regime since its inception. The bill continues to reflect the government’s consistent efforts to ensure that there are appropriate privacy provisions and protections for users of communications and that these protections are maintained alongside enhanced access powers for law enforcement and security agencies.

The implementation of the recommendations of the Blunn report on the regulation of access to communications provides greater certainty and clarity to those agencies, to telecommunication industry participants and to users of telecommunications systems. The new stored communication warrant regime does strike a careful balance—on the one hand creating a new prima facie protection for stored communications whilst on the other hand creating a defined regime to provide law enforcement agencies with appropriate access.

The bill also makes important amendments to the interception regime to assist agencies to counter measures adopted by persons suspected of serious criminal activity in evading interception. Interception under the new B-party interception provisions will only be used as an investigatory tool of last resort, it will be subject to strict controls and it will only be available for investigation of the most serious crimes. Strong safeguards which currently underpin the interception regime will continue to apply. These include
restrictions on the use of any intercepted material as well as current requirements for independent oversight and annual reporting to parliament.

I conclude by saying that this bill is to deal with matters that would otherwise be the subject of a sunset clause dealing with stored communications. We did not want to see those important measures come to an end, and that is why the legislation has been progressed not in haste but to ensure that these issues have been dealt with before that sunset clause comes into effect. The government will continue to consider in detail the committee report and the recommendations as part of its ongoing commitment to ensuring the regime achieves an appropriate balance. If there are further amendments that are thought to be appropriate following the consideration of the committee report, we will propose further amendments in the spring session of parliament. That is as I think it should be. I commend the amendments to the House. I think the urgency is apparent.

Ms ROXON (Gellibrand) (4.12 pm)—I just have to comment briefly on the extraordinary comments that the Attorney-General has just made, which essentially ask this House to accept the nonsense that the government cannot move to make improvements to their own piece of legislation following their own backbench committee, along with members of the Labor Party in the Senate making recommendations, because they have not been through his party room process. It is ridiculous to come into the parliament, the law-making body of this country, and say that improvements cannot be made to a quite radical new regime that is being set up, because the Attorney-General has not had time to take it through his party room.

Of course all of us in this place understand that processes need to be gone through. But we are being asked to rush through a piece of legislation that will have a significant impact—and that is what the B-party intercept in schedule 2 of the Telecommunications (Interception) Amendment Bill 2006 will have; it will have a significant impact by changing the current regime as it applies—without improvements that have been recommended by a unanimous Senate committee. The Attorney-General is saying that the government cannot move to make improvements because he has not asked his backbench.

I could not let those comments go without making the comment that we regard the parliament as the law-making body here, not his backbench committee or the party room. Those processes can be gone through and should be gone through. It is not beyond the wit of the minister to be able to organise one of those meetings if he had any particular desire to do so. Again, it is a complete nonsense to suggest that they have not had time to draft these sorts of amendments. You have incredibly good staff in the Clerk’s office both in the House and in the Senate who are able to draft amendments all the time, you have OPC and you have your own departments. It is really just a lack of will on the part of the government to improve this system.

I think this is the third or fourth time now that the minister has said, ‘I am aware that this legislation could be better, but I call on this House to pass the legislation and we will improve it in the future.’ We saw that with the legislation on sedition. We have seen it with a number of other pieces of legislation in the past few months, all under this Attorney’s responsibility. We are being asked again today to accept a bill that could be improved were the minister to take the time to do it. We do accept the other changes. We accept that the latest amendments that are being moved are an improvement. But there are further improvements that could have
been made if only the Attorney had taken the time to do that himself or instruct his many staff to do it for him.

Mr RUDDOCK (Berowra—Attorney-General) (4.15 pm)—Not only does the honourable member for Gellibrand like to personalise her remarks but she does not like to be proven wrong and seeks to justify the unjustifiable position.

Ms Roxon—It’s not unjustified.

Mr RUDDOCK—It is.

Ms Roxon—It’s a unanimous set of recommendations from a Senate committee.

Mr RUDDOCK—It is a committee report in which there are recommendations that need to be the subject of detailed consideration. Of course, you might be able to draft amendments to reflect what the committee has decided—if you are not prepared to go behind and look at the policy implications of the measures that are being proposed and to involve all of those who are likely to be affected.

Ms Roxon interjecting—

Mr RUDDOCK—I suspect the honourable member for Gellibrand will never be in a position to consider these matters in government, with the way they perform. But if I were here to watch her, were she ever to get there—

Ms Roxon interjecting—

Mr RUDDOCK—Yes, I agree that I would have to be very old—I know it is going to be a long time! But the point I make is that I am sure, in that situation, there would be examples in which she would be placed in wanting to effect very important measures that ought to be on the statute book so that the impact of a sunset clause, which would wipe out our capacity to deal with stored communications, were avoided. This legislation—

Ms Roxon—Schedule 2 doesn’t deal with stored communications. You’re misleading the House.

Mr RUDDOCK—This legislation deals with stored communications.

Ms Roxon interjecting—

The DEPUTY SPEAKER (Hon. IR Causley)—Order! The procedures of the House are that the member for Gellibrand can seek the call and get five minutes; otherwise, I ask her to restrain herself.

Mr RUDDOCK—To suggest when I said that I was misleading the House, and then to accept the correction and substitute some other words, I think reflects just that. The point I make is that there is urgency associated with this legislation. It is in a form that was acceptable to government members. My goodwill, as evidenced in a desire to further consider matters that have been raised in a bipartisan way in the Senate, should not be made light of in the way the member for Gellibrand has. It is only more likely to serve to encourage people to become more intransigent.

Question agreed to.

GENERAL INSURANCE SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2006

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr LLOYD (Robertson—Minister for Local Government, Territories and Roads) (4.18 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

HEALTH AND OTHER SERVICES (COMPENSATION) AMENDMENT BILL 2006

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered immediately.

Bill agreed to.

Third Reading

Mr LLOYD (Robertson—Minister for Local Government, Territories and Roads) (4.19 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

JURISDICTION OF THE FEDERAL MAGISTRATES COURT LEGISLATION AMENDMENT BILL 2005

Consideration in Detail

Consideration resumed from 29 March.

Bill—by leave—taken as a whole.

Mr FITZGIBBON (Hunter) (4.20 pm)—I move the amendment as circulated in the name of the member for Gellibrand:

Schedule 1, item 1, page 3 (line 7), after “Part VA”, insert “or section 46 or 46A of Division 8, Part IV”.

The Jurisdiction of the Federal Magistrates Court Legislation Amendment Bill 2005 expands the jurisdiction of the Federal Magistrates Court, a court that is designed to allow simpler and less expensive access to justice in this country, largely on family law related matters. The bill expands the jurisdiction of the court to cover certain trade practices issues. The great concern for the opposition is that the bill expands the scope of the Magistrates Court to cover part IVA, an area of the act that covers unconscionable conduct, but it does not expand the jurisdiction to cover part IV of the act. Part IV of the act is about preventing abuse of market power. These provisions, particularly section 46 of the Trade Practices Act, are well known to members in this place. They have been much discussed. A Senate inquiry has delivered a report calling on the government to reform section 46 of the Trade Practices Act. As a result of a number of Federal Court and High Court decisions, including the Boral case and the Rural Press case, section 46 has been severely undermined and the capacity of the ACCC to take successful action under the act has been severely curtailed.

It is time for reform of the Trade Practices Act, particularly section 46. What the opposition cannot understand is the logic of extending the jurisdiction of the Federal Magistrates Court to part IVA of the act without extending it also to part IV of the act. One can only assume that the idea of this lies in the same area that motivates the government to refuse to reform section 46. That is, they do not want to extend to small business the additional protection they require to compete with their larger competitors.

I challenge the Attorney to give the House an explanation for why he has not extended the jurisdiction to part IV of the act. I suspect he will say, as he has said in the past, that part IV cases in the courts are quite complex—and I agree that they are—and on that basis are not matters which ideally fall within the jurisdiction of the Magistrates Court. But I say to the Attorney that, while I agree that matters under part IV are typically complex, all small business are looking for is an opportunity to rely on the facts as laid out in a Federal Court case under part IV so that those facts can be used in any action against the company which has been prosecuted by the ACCC in their own action in the Federal
Magistrates Court. The complexity issue does not work. The complexity will have been dealt with in the Federal Court or the High Court, and the small business person taking their action against the company will be relying on the facts as determined by the higher jurisdiction. It is no excuse at all for not extending the jurisdiction of the Magistrates Court to part IV of the act.

Much has been said in this place, over the last week in particular, about small business, particularly in the context of unfair dismissals. I do not want to have that debate here again today, but it is fair to say that, despite what the government says, the unfair dismissal rules are going to offer little to small business. What small business really wants is some protection against larger competitors who are in the habit of abusing their market power. A number of parliamentary reports that have come to this place have highlighted some of the abominable actions of larger businesses and the impact on small businesses. It is apparent—given the government still has not, three years after the Senate committee report, introduced a bill into this place to pick up those Senate recommendations to strengthen section 46 of the Trade Practices Act—that the government takes decisions in favour of the larger competitors. This government talks a lot about small business and small business issues, but when it comes to making a decision about the interests of the big end of town and the interests of the small business community the government will fall on the side of big business every time. That is apparent in its refusal or unpreparedness to introduce a bill in this place to tidy up section 46, and it is apparent here again today in its refusal to extend the jurisdiction of the Magistrates Court to part IV of the Trade Practices Act in addition to part IVA of the Trade Practices Act. That is the real truth here. The government, on another occasion, has decided, when looking at the interests of big business in this country and the interests of small business, that—typically—it will back the interests of big business again.

I invite the Attorney to give some sort of explanation. Please do not give us the complexity stuff again, because I think I have addressed adequately that issue. We are only looking for an opportunity for small business to rely upon the facts of the higher jurisdiction. (Time expired)

Mr RUDDOCK (Berowra—Attorney-General) (4.26 pm)—I thank the honourable member for Hunter for outlining his reasons for considering that this additional jurisdiction should be conferred upon the Federal Magistrates Court. But let me just say that I do not accept the injunction that I should not argue properly and fully the position we have taken on this matter on the basis of the reasons we took it and should simply accept an argument that it can be dismissed by his saying, ‘Don’t give us the arguments again.’ The arguments are compelling and I will put them.

The government did, in dealing with the substantial issue—that is, of conferring new jurisdiction on the Federal Magistrates Court in important areas that are suitable for them—consider whether or not in each case there were issues that were likely to be complex and involve a great deal of time. Matters that would certainly not lead to delays arising in the Magistrates Court system were those matters that we progressed.

The fact is that, in the Senate Economics References Committee’s careful consideration of jurisdiction in matters involving sections 46 and 46A of the Trade Practices Act, the non-government members acknowledged that section 46 cases are likely to be very complex. So, even though this amendment has been moved by Mr Fitzgibbon, his colleagues in the other place acknowledged that
section 46 cases are likely to be very complex. It is because they generally involve large amounts of evidence. The non-government members of the committee took the view that section 46 cases which relied on section 83 could be considered by the Federal Magistrates Court, but inexplicably the opposition in its amendment has not adopted the proposal by its Senate colleagues. It is conferring jurisdiction in relation to sections 46 and 46A cases, not just those reliant upon section 83.

The fact is that small business was very much our consideration. We do not want the Magistrates Court to become clogged with complex and lengthy cases. To give you some idea of what section 46 cases can involve, the first-instance hearings in the major case of the Australian Competition and Consumer Commission and Boral ran for 23 days. In the Northern Territory Power Generation Pty Ltd and Power and Water Authority case the first-instance hearings ran for 55 days. In the Australian Competition and Consumer Commission and Rural Press case the first-instance hearings ran for 17 days. In Australian Competition and Consumer Commission and Safeway stores case, the first-instance hearings ran for 102 days.

In the government’s view, these are cases that are not suitable for a Federal Magistrates Court. The government has not had the experience that the Federal Court has had in dealing with these matters. We think that that jurisdiction is more appropriate for the Federal Court but let me make this clear: if cases were to arise on section 46 in which a Federal Court judge thought—

Consideration interrupted; adjournment proposed and negatived.

Mr RUDDOCK—Let me just conclude on this point. If a section 46 case were to arise which was suitable for the Magistrates Court, the Federal Court can use its discretion to transfer such matters to the Magistrates Court using the proposed amendments in schedule 2 of the bill. This is a matter where, in my view, the magistrates’ jurisdiction is being expanded. It is being expanded in areas which we do not think will impact upon its remit but the additional matters could do so very considerably. I do not think small business will be aided were the courts to be held up for the sorts of times we have seen in the cases that I referred to that have been dealt with already under section 46.

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

The House divided. [4.35 pm]
(The Speaker—Hon. David Hawker)

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<th>Ayes</th>
<th>49</th>
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<td>Noes</td>
<td>75</td>
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</tbody>
</table>

Majority ............ 26

AYES

Mr Ruddock (Berowra—Attorney-General) (4.40 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Mr Ruddock (Berowra—Attorney-General) (4.40 pm)—by leave—I move:

That the House do now adjourn.

Oil for Food Program

Mr Brendan O’Connor (Gorton) (4.41 pm)—Today we saw in the House why this government is increasingly being described by members of the public across this country as the most arrogant and out-of-touch administration in recent memory. Today, yet again, the government refused to allow the parliament to debate a censure motion moved by the Leader of the Opposition. Today the government gagged the MPI, because it wants to silence the opposition on what is clearly the greatest act of corruption and treachery in this country’s recent memory. The government has sought to rort the outcome of the royal commission into the ‘wheat for weapons’ scandal by deliberately limiting the terms of reference and firewalling the Minister for Foreign Affairs.

If this government were an open, democratic, accountable administration, it would ensure that ministers relevant to this matter and indeed their staff would provide evidence on what they know and what they have known throughout this awful national disgrace. This government would have allowed an effective scrutiny of all the decisions made by agencies and by ministers and the actions by staff and ministers. They could have allowed $300 million to be provided to an enemy of this country. It is a treacherous situation, where we have a government that does not want to get to the bottom of $300 million being provided to the Saddam Hussein regime, which would have used that money to resource weapons that would have been used against forces in the invasion of that country.

I think it is fair to say that it is not just Labor who have pointed the finger at the gov-
ernment and, in particular, at the Minister for Foreign Affairs. The heading of yesterday’s editorial in the Australian was absolutely right when it said that the credibility of Mr Downer—the ‘Billy Bunter’ of Australian politics—is crippled. Indeed, in this editorial, the Australian went on to say:

Short of a neon sign flashing “Saddam bribes hidden here” it is hard to imagine what more Mr Downer and DFAT would have needed to comprehensively investigate AWB, long before the Volcker inquiry belled the cat.

Mr Barresi—Mr Speaker, I raise a point of order. The member should be referring to other members by their correct title or by their seats.

The SPEAKER—I thank the member for Deakin. I was listening carefully. I believe that the member for Gorton is quoting, but if he is not quoting he should be referring to members appropriately.

Mr BRENDAN O’CONNOR—I am quoting one of the most accurate assessments of the Minister for Foreign Affairs, by the Australian this week. It went on to say:
The most innocent explanation of Mr Downer’s behaviour is that he has been at DFAT too long, and, like his senior public servants, did not want to rock AWB’s boat. A worse one is that Mr Downer did not want to know what was going on and hoped that nobody would notice how renegade Australians were trading with the enemy, right up until the shooting started in 2003. Neither explanation is acceptable. After 10 years of largely competent service—and that is the only area in which the Australian and I depart—Mr Downer has demonstrated he no longer has the judgment to serve as Australia’s foreign minister—or in any higher office. His department needs a shake-up and a new minister. And talk among friends of the Foreign Minister that he could be a candidate for the deputy leadership of the Liberal Party, or even The Lodge, is simply not credible in light of what we know.

We know that—we always knew that on this side. The Australian has now come to realise that the Minister for Foreign Affairs is incompetent and not able to front up to the royal commission and answer questions. The Australian public expect him to explain how $300 million was able to get into the hands of the Saddam Hussein regime—the same regime that our government decided to declare war upon at around the same time. That is, of course, an absolute disgrace. (Time expired)

Hunter and Gosford-Wyong Regional Water Sharing Project

Tuggerah Lakes District Band

Darkinjung Local Aboriginal Land Council

Mr TICEHURST (Dobell) (4.46 pm)—I would like to inform the House of some important announcements and events that took place in my electorate of Dobell last week. Last Wednesday the Hon. Malcom Turnbull, Parliamentary Secretary to the Prime Minister, visited the Central Coast to announce $6.61 million in federal funding to part-finance the Hunter and Gosford-Wyong regional water sharing project. I would also like to acknowledge the work done by the member for Eden-Monaro before Malcolm Turnbull had the job of securing this funding.

The funding is being administered through the $1.6 billion Water Smart Australia component of the Australian government Water Fund and will be used to construct a pipeline between the Hunter and the Central Coast that is capable of transferring 20 megalitres of water per day—and that could peak to 35 million. I have been working with our local councils since 2004 to secure this funding, and it is great to see it come to fruition. I understand that the project represents one of the best examples of improvements in water management presented to the National Water Commission for its assessment, and credit is
due to the Wyong and Gosford councils for their submission. The announcement is also fantastic for local residents, who have done a great job in conserving our scarce water resources to date. The Australian government is committed to taking advantage of opportunities to make better use of existing water supplies, and I commend the National Water Initiative.

Last Saturday night I attended an event to commemorate the Tuggerah Lakes District Band’s 60 years of service. It was an excellent night which was well attended by past and present members. The Tuggerah Lakes District Band is an icon on the Central Coast. It is both a band and a valuable community service and very much part of the Central Coast identity. The band has gone from strength to strength since it was established at the Entrance in 1964 by Mr Dick Wells. In its second year of operation, it led the Anzac march and continues to do so to this day. Over the years it has performed and continues to perform at major local events, including the annual mardi gras, Christmas Eve celebrations and various sporting events. It also does lots of work for charity.

I would like to take a moment to acknowledge Mr Don Stewart, the musical director of the band and one of the original band members. He is one of the longest serving musical directors of a New South Wales brass band. I would also like to acknowledge Bruce Wheeler, another original. They have both played in the band for 60 years—and they do not even look 60. The current president, Mal Stewart, has been with the band for 57 years. They have dedicated services to various community groups over the years. Such service to an organisation is rare, and the Tuggerah Lakes District Band is no doubt a success because of the enthusiasm, commitment and dedication of members like the Stewarts and Mr Wheeler.

On Sunday I was delighted to officially launch the funeral fund, an important initiative of the Darkinjung Local Aboriginal Land Council, alongside respected Darkinjung elder Aunty Betty Hammond.

Ms Hall—A wonderful woman.

Mr TICEHURST—She is. The funeral fund gives Aboriginal people on the Central Coast access to a la low-cost, immediate-cover funeral fund and provides for culturally sensitive funerals. The Darkinjung funeral fund is the first in Australia to be run by Aboriginal people for Aboriginal people and is set aside from other funeral funds in that it provides benefits to families for funeral expenses from the time of their first weekly payment—that is a very low $3.50, well below the market rate.

The fund contribution by members is subsidised heavily by the Darkinjung funeral fund. Children of members can join for an even lower weekly contribution of just 50c. Each family will be covered for the member’s funeral expenses up to $6,850, and that includes a no-questions-asked bereavement payment of $850. This fund means that members’ families no longer need to struggle or do without adequate funeral arrangements for loved ones.

This is not the only service to be provided through an initiative by Darkinjung; they also have a cattle company which last year exported over $1 million worth of beef to Japan, returning almost 20 per cent to the Darkinjung Local Aboriginal Land Council investment in its first year of operation. The return on this investment will help sustain the Darkinjung membership for years to come. I commend all of these organisations for their contributions to the Central Coast.

Aged Care

Ms HALL (Shortland) (4.51 pm)—I join with the member for Dobell in commending all those organisations on the Central Coast. I
know they are fine organisations and provide a valuable service in the community we both represent.

I recently looked at the aged care needs of the area that the member for Dobell and I represent when I was putting in a submission to the aged care approvals round. I was overwhelmed with what came out when I did my research. The current system for approving aged care beds has led to a massive increase in the number of phantom beds, as there is no transparency or accountability built into the system. I have been calling on the government to build that into the system for some period of time. The planning process for awarding beds is flawed and, until the government goes back and reviews the whole system, it will not improve. Phantom beds will continue to exist throughout Australia.

I also call on the government to put more funding into the provision of aged care beds, as there is a chronic shortage—and it is becoming worse. Shortland is the 10th oldest electorate in Australia, so you can look at it and see how this shortage is impacting. It has been identified that there is a shortage of 5,489 aged care beds Australia-wide, which represents a three per cent shortage. New South Wales has a 2,511-bed shortage, which represents 45.7 per cent of the overall shortage.

The situation on the Central Coast is drastic, with a shortage of 644 aged care beds, which represents—and this is the figure to listen to—25.6 per cent of the overall shortage in New South Wales. In the Hunter, there is a shortage of 377 aged care beds, which represents 15 per cent of the state’s shortage. Those two areas account for over 40 per cent of the aged care bed shortage throughout the state. The Central Coast rates as the third worst area in New South Wales. These figures alone justify an urgent allocation of aged care beds and packages to that region.

The problems on the Central Coast and in the Hunter have been exacerbated—particularly in the Shortland electorate—by geographical factors. One of these factors is a lake that separates Charlton and Shortland—and Charlton is the Lake Macquarie area that has the majority of aged care beds. The majority of the Central Coast’s aged care beds are located in its southern part. The Central Coast also has a poor transport system, and the relatives of those who live in these facilities are themselves often frail and aged.

Of the HACC services available in the region that I represent, 90 per cent are provided to 10 per cent of that region’s clients. So many people are missing out on those drastically needed services. As for psychogeriatric beds in the Shortland electorate, there are none. In fact, there are no psychogeriatric beds anywhere on the Central Coast. That is an absolute disgrace and the government stands condemned for it.

There are enormous socioeconomic factors. The electorate that I represent in this parliament is the 27th lowest in Australia in terms of family income, with the median income being over $160 less than the Australian average. I call on the government to address this issue as a matter of urgency. We need more dementia-specific beds, more aged care packages and more high-care and low-care beds in residential facilities—not only in the Shortland electorate but throughout Australia. This is a chronic shortage. This shortage has been allowed to develop under the watch of this government and it is about time that the government addressed it—because it is frail aged Australians who are being affected. (Time expired)
Workplace Relations

Mr BAKER (Braddon) (4.56 pm)—I rise tonight to speak on the Australian government’s Work Choices reforms. With the commencement of these important and necessary reforms, we are witnessing an increasingly personal and misleading campaign by Labor aligned unions. Labor and the unions are becoming desperate because they know, as time goes by, Australians will realise that all the scaremongering and prophesies of doom and gloom are just a lot of hot air. Paid union officials are doing the bidding of the Labor Party and not their members. Some unions are even using the Australian government’s reforms as a cynical exercise to increase their membership fees. Every extra dollar they rip out of Australian workers will no doubt find its way into the Labor Party’s coffers.

I am not dissuaded by the increasingly grubby tactics that are occurring out in the marketplace. I supported these reforms because they were in the best interests of Australian workers and the Australian community. Many times I have asked the Labor Party and the union movement why an employer would want to sack a valued employee whom they have spent time and money training and developing. Surprisingly, the only reply I have had is silence—absolute silence! Labor and the unions simply cannot answer that question.

On the front page of today’s Australian newspaper, a respected small business man from my electorate has spoken in favour of the government’s reforms. Mr John White, owner of Delta Hydraulics, a successful business in Devonport, has spoken to me on many occasions. I have been aware of his frustrations and those of many other employers throughout my electorate. Mr White’s comment that unfair dismissal laws have been like a gun in the hands of underperforming employees demonstrates why our reforms are so necessary. According to Mr White, Delta Hydraulics has its problems, as do other workplaces, with employees arriving at work under the influence of alcohol and marijuana and going off the rails because of personal relationship issues. I know that his case is not unique and I am sure that employers not only in my electorate but around Australia would have similar stories to tell.

Employers have rightly complained for some years that, if they sacked a worker, no matter how good their reason and no matter how many chances they may have given that worker, they would still be forced to deal with an unfair dismissal case. The cost of defending such cases would run into thousands of dollars and there was no way an employer could recoup that cost. As a result, most employers either paid out sacked workers or decided against putting themselves in the position of having to deal with an unfair dismissal claim by not dismissing a problem employee in the first place.

Before the Australian government’s reforms were implemented, employers like Mr White just had to put up with workers who did not perform and, in some cases, were dangerous and disruptive influences in the workplace. Not only is that situation unfair for employers; it is also totally unfair for other workers. Too often we forget that other employees are also the victims of the poor attitudes and work ethics of a few. Labor and the unions have forgotten about the majority of employees whose jobs and, in some cases, personal safety are often placed at risk by a few dangerous, disruptive or otherwise underperforming employees. The majority of employees who do the right thing by their employers should not have to put up with a small number of workers who seem to think that, once they have a job, they can do and behave as they like.
The Australian government’s reforms are about putting the power back in the hands of employers, where it belongs, so that they can make the necessary decisions to keep their businesses viable. Mr White is among a vast majority of reasonable employers. He is tolerant and forgiving of genuine mistakes and believes in giving all employees a fair go. The vast majority of employers want to grow their businesses and employ more staff, and that is why the Australian government has removed the noose of unfair dismissal laws from around the necks of small businesses.

It is not rocket science to realise that employers are the ones that develop and create businesses, and they should be given a fair go to run their businesses, to make a profit and to create a future for their existing employees.

**Oil for Food Program**

**Mr WILKIE** (Swan) (5.00 pm)—I want to raise today the overwhelming amount of evidence that points to a systemic failing on the part of the foreign minister and trade minister to discharge their obligations under Australian and international law in the oil for food scandal. They should have known. There were a raft of warnings from Australia’s intelligence community. There were a raft of warnings from the United Nations. After the war, when the United States, the United Kingdom and Australia formed an interim body to administer Iraq, the Coalition Provisional Authority, there existed yet more information pointing to the abuse of the oil for food program by the AWB.

Let me first go to the intelligence received by the Australian government. We know from evidence presented in the Cole inquiry that on at least six occasions the Australian government received intelligence pointing to a serious breaching of the oil for food program, four of which specifically said that a Jordanian based trucking company named Alia was being used as a front company for Saddam Hussein’s regime. For example, in 1998 the AIC held intelligence indicating that Alia Corporation, based in Jordan, was part owned by the Iraqi government and that it was involved in circumventing United Nations sanctions on behalf of the Iraqi government.

Secondly, by September 2001, the AIC held intelligence indicating that inland transport fees for humanitarian goods, including fees paid through Alia, were proposed to be increased substantially by Iraq. This increase was on top of the 10 per cent commission already paid, and the fees were payable in advance of delivery. The proposed increase in transport fees was to apply to all humanitarian goods delivered under the oil for food program through the port of Umm Qasr. And if the warnings being received by Australia’s intelligence community and passed up the line to ministerial offices were not enough, let us not forget the warnings the Australian government, from the Prime Minister down, received in 2000 and 2001.

There are five cables tabled in the Cole inquiry that were sent to and from the Australian government in Canberra and the Australian Mission to the United Nations in New York—in January 2000, March 2000 and March 2001. These cables discussed warnings from the UN about the AWB’s activities in Iraq. After the war, it appears from evidence presented to the Cole inquiry that the warnings to the Howard government became sharper. The starkest of these warnings came in June 2003, when the Australian representation in Baghdad sent a cable to Canberra outlining the new Coalition Provisional Authority’s reprioritisation of contracts in the immediate postwar period. This cable stated:

Every contract since phase 9 included a kickback to the regime from between 10 and nineteen per cent. The CPA was advising ministries to tell companies with contracts that the “after sales
service fee”, which was usually to be deposited in the offshore banks, would be remitted to them. That cable, too, went to everybody, from the Prime Minister’s office down. This was a warning that carried no ambiguity whatsoever. Its message was clear. It informed the Howard government that AWB had been roting the UN oil for food program. It must be remembered that during all this time AWB was the single largest user of the program.

I have only outlined today a small portion of the evidence provided to the Cole inquiry which underlines the gross incompetence of the Howard government in this scandal. But I want to raise one final thing today. On Monday, senior counsel for the Cole inquiry, Mr Agius, stated in the inquiry:

We have not been able to identify, amongst the many thousands of documents we have from AWB—so we may have missed it, but I think it is unlikely—any document at all which indicates, or records even, that AWB, or anybody on behalf of AWB, mentioned Alia to any representative of the Commonwealth of Australia at any level, at any time before the announcement of the Volcker inquiry.

I find this a most curious statement—not least having regard to the pieces of evidence that I have outlined today, but also because of the note we have seen in the inquiry from Michael Long, an AWB employee seconded to the Australian government after the war. Mr Long penned a document to DFAT in Canberra in June 2003 which carried a very similar message to that which I outlined and which was in the other June 2003 cable from Australia’s representatives in Baghdad back to the Australian government.

So I wonder what Mr Agius meant by his statement on Monday, in the face of the evidence that I have outlined today. I am puzzled as to how a senior lawyer such as Mr Agius could reach such a conclusion. The Prime Minister has promised a fair inquiry, but this statement worries me very much. Having been a pig farmer, I know that, if it squeals like a pig, walks like a pig and smells like a pig, chances are that two things are certain: one is that it stinks and the other is that it is a pig.

Melbourne Commonwealth Games

Mr BARRESI (Deakin) (5.05 pm)—I rise to congratulate all those involved in the highly successful staging of the 18th Commonwealth Games, which took place recently and ended last weekend in Melbourne. It was fantastic to see the sporting capital of Australia displayed in all her glory. It was 11 days of competition that saw the best of the city, the athletes, the spectators and a volunteer army shine through.

Like many other members, I was fortunate to be a part of the lead-up to the games, when I was able to welcome the Queen’s baton relay to Walker Park in Nunawading just two days before the beginning of the games. Like other cities and towns along the route, the crowds throughout Deakin were enthusiastic, energetic, and conscious of what the baton represented—the unity of the Commonwealth and the desire to see excellence in sporting endeavour. By the time the baton arrived in Nunawading, carried by Australian hurdler and former local resident, Kyle Vander Kuyp, it had covered almost 180,000 kilometres and had visited all of the competing nations.

The spectacular and theatrical opening ceremony set a new benchmark for future Commonwealth Games, if not for its spectacle then certainly for the ensuing debate on its meaning and interpretation. The games themselves saw records broken and medals awarded for the first time with able-bodied athletes and elite athletes with disabilities competing in the same international meet. Some of the members of the Commonwealth Games team were fortunate enough to
have their efforts rewarded with medals; others were able to compete and achieve on the international sporting stage. The final results of events are, to some extent, secondary. These athletes now belong to a very select group of Australians who are able to lay claim to representing their country, and for that they are all to be commended.

I would like to recognise the achievements of some of the well-known and not so well-known athletes from the electorate of Deakin and the broader eastern suburbs of Melbourne. We can lay claim to having raised through our junior ranks some exceptional sportsmen and sportswomen. In the past we can lay claim to Cathy Freeman being a member of the Ringwood Athletic Club. Her time has come and gone. In the recent games we had Lauren Hewitt, a member of the Ringwood Athletics Club, who became a bronze medallist in the 4 x 100-metre women’s relay; Belinda van Tienen, a 20-year-old weightlifter from Warrandyte, who, in addition to being the under-18 Australian champion, has also competed nationally in athletics and has represented Victoria in netball, basketball and swimming; Matthew Welsh, who won a gold medal in the 4 x 100-metre medley relay and silver medals in both the 100-metre backstroke and the 50-metre butterfly; Erica Sigmont and Mark Fountain, both middle-distance runners originally from Box Hill, who gave stellar performances in the 800- and 1,500-metre events, respectively; and Janine Ilitch, a long-time Box Hill North resident, who is now training at the Australian Institute of Sport and who was selected after a long career to represent Australia in netball. Her selection is testament to her longevity in this highly competitive sport. Janine’s achievement is all the more impressive given the short period of time between the birth of her son and the competition. Finally, there was Scott Martin, who was involved with Ringwood athletics and who won a gold medal in the discus and a bronze medal in the shot-put. Scott put a smile on thousands of spectators as much for his achievement as for his portrayal of a male ballet dancer in commercial breaks, which we all had to endure during the games.

All of these athletes and many more have trained at local clubs in the Deakin electorate and the eastern suburbs. They have benefited from the experience and care of those who run these organisations—the tireless volunteers who front up year after year on committees and in various coaching roles. Those in charge of the grassroots sporting clubs give freely of their time and efforts in the attempt to nurture young athletes on their journey. Together with their families and friends, the club officials are to be commended for their work and for helping to create the next generation of Australia’s sporting stars.

This spirit of giving time and effort is reflected in the efforts of the some 15,000 volunteers who devoted their time to running the sports, managing the venues and helping the visitors to Melbourne. It was a truly stellar performance. Congratulations to all those concerned, particularly to those who carried the brunt of responsibilities: to Ron Walker; to Senator Rod Kemp on behalf of the Commonwealth; to John So, the Mayor of Melbourne and a very popular man; and to the Victorian minister, Justin Madden. They were games which we can all reflect on now with great admiration, pride and honour for what they gave to this nation.

House adjourned at 5.11 pm
The DEPUTY SPEAKER (Hon. IR Causley) took the chair at 9.30 am.

STATEMENTS BY MEMBERS

Juvenile Diabetes

Mr HATTON (Blaxland) (9.30 am)—I will do something very unusual today: I will start by congratulating the federal government and the Minister for Health and Ageing for contributing $4.2 million today to research into juvenile diabetes, in addition to the total program announced in 2004 of $30 million directed towards a centre for islet transplantation.

Just two rooms away from here, those announcements are now being made. They are being made in front of very small children who, the first time they came to this place for the Kids in the House program in October 2003, showed us very personally what their lives were like in living with type 1 diabetes—the fact that they could not produce their own insulin. They were pin cushions. They face, later in life, despite the fact that they still look young, fresh and healthy, the problem that, day by day, their life is dominated by hypoglycaemic events. Their lives are dominated by being unsure and uncertain of just what will happen to them. Their lives are highly regulated and they have to be highly organised. They also know that what they still face is the potential to lose the use of their limbs. They still face blindness and the deterioration of a series of bodily functions. They face a life that none of us have had to face, and that no child in this country or anywhere else should have to face.

When I spoke about this two years ago, I said that the one thing this government should do in relation to this problem is to put the money up. I congratulate them for doing that. They have combined with one of the unique groups in our country, the Juvenile Diabetes Research Foundation, which has put $40 million worth of funding into diabetes research in Australia. Apart from the further funding that will be put into this program, there is also the concentration of not only peak medical bodies but also people of great standing, such as the Australian of the Year, who is running the executive board. The lady who is the president of the board has donated $5 million of her own money to kick-start this program.

Nothing is more important in life than children. It is absolutely true that children are the future. The quality of life of those children and, indeed, the extension of that life, is a matter of importance for everyone. As a member of the opposition, I simply join in congratulating the government and the foundation. In government, we would do the same. This is a brave step to take in the interests of those children. It is a wonderful thing to do. There is the possibility of a cure for juvenile diabetes. (Time expired)

Taxation

Mr HAASE (Kalgoorlie) (9.33 am)—I rise to address once again in this place the issue of taxation zone rebates for remote and moderately remote Australia. It is over 10 years since anything was done to revisit this situation, to gauge modern trends, modern cost comparisons and modern sets of disability in comparison to city dwellers.

In suburban and metropolitan areas, public transport is something that is supported by governments as a matter of course; it is automatic. In rural and remote areas of Australia, there is no such thing as public transport. In fact, charter aircraft have become the nearest thing to
public transport in many areas in my electorate. I have repeatedly called on my government to positively address the current inequities of the taxation zone rebate. In zone B, back in 1945, an amount of about £20 was available for a 12-month period. That equates today, with inflation, to about $1,060. In fact, we are paying $57. It is unacceptable, and something ought to be done about it. I am constantly told that it is unconstitutional. Section 51 of the Constitution, relating to the taxation power, states:

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good governance of the Commonwealth with respect to:

(ii) Taxation; but so as not to discriminate between States or parts of States;

Section 99 states:

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof.

Mr Slipper—They give preference to Canberra though. It is terrible.

Mr Haase—It is indeed. I believe it is time those two sections were put to the test and, once and for all, this opposition to bringing the taxation zone rebate up to date was put to rest. These sections of the Constitution ought to be put to the test. There is too great a need for the powerhouse of Australia, which is in remote areas in my electorate, to be given equity to attract genuine residents back to those areas, to develop the communities in those areas and to give those who are brave enough, tough enough and dedicated enough to live in those areas some degree of equity with city dwellers. I am saying to this place that out of my section of remote Australia comes the wealth that drives this nation. We maintain the balance of power with phenomenal exports, and yet we are given no equity by this government when it comes to the taxation zone rebate. If it is not equitable and increased, then it ought not to be maintained. (Time expired)

Mr Tony Blair

Mr SAWFORD (Port Adelaide) (9.36 am)—Although I was not in total agreement with the content of the speech given by Tony Blair in the House on Monday, it was nevertheless a very impressive speech indeed. The coverage of the speech in the Australian newspaper the next day quite rightly praised Tony Blair’s cleverly crafted exposition of contemporary global challenges. Greg Sheridan called the speech ‘magnificent’ and ‘articulate’. Matt Price said the speech was a ‘cracker’, Patrick Walters described the speech as ‘passionate’ and Paul Kelly said the speech ‘offered eloquence, vision and guts’ that had no match in Australian politics.

In my opinion, not one of those commentators came even close to explaining just why that speech was so well received. The speech by Tony Blair was based on identifiable beliefs. The speech explained those beliefs with coherent processes and outcomes. The language was explicit; no-one who listened was in any doubt whatsoever as to what Tony Blair meant. That is why Tony Blair connected with his audience. Unlike the commentary, his language was explicit rather than implicit. Certainly the style of delivery and presentation of the speech were excellent, but that speech could have been sustained by the substance alone.

Something is very wrong with the contemporary orthodoxy of how language is used in Australia today. I believe that over the last 30 years language has changed quite dramatically, and for the worst. This is particularly true when referenced to the practices of politicians and
the political commentariat. If we face the raw facts, much of what is said and written about politics these days is eminently forgettable—the pun intended. However, it should not be like that. Australians once prided themselves on calling a spade a bloody spade or at least a bloody little shovel. That is no longer true. Explicit language is noted for its rarity rather than its common use. Too much political commentary reinforces power, ambition, ego, celebrity status and spear throwing for the mediocre, the undeserving and the overrated, and is crafted on synthesis alone.

Too much political commentary in this country confuses, constrains and conforms to nothing more than manipulation and spin. All of the Australian journalists I referred to earlier have superior writing skills—there is no doubt about that. Matt Price can write—pity about the lack of insight. Paul Kelly can identify political attributes—pity he explains them so superficially. Patrick Walters and Greg Sheridan rely on description in synthesis mode alone—pity about the lack of analysis. It is therefore no wonder that Tony Blair, by stating beliefs, processes and outcomes so coherently, comes across as a breath of fresh air and presented such a striking difference to the contemporary Australian political orthodoxy. The real pity is that no journalist had the wit to explain why, and I wonder whether very many of us will learn the lesson too. (Time expired)

Mrs Lisbeth Ann Neill

Mr WOOD (La Trobe) (9.39 am)—I rise to share with the House some observations about a remarkable woman named Lisbeth Ann Montgomerie, or Lisbeth Ann Neill after she was married. Mrs Neill was born on 3 August 1924. As a young girl she attended PLC Corowa in Melbourne. After she left school she began her working life as a personal secretary to and ballet teacher for Edouard Borovansky and the Borovansky Ballet Company. When the war came, Mrs Neill made a great contribution to the home-front effort and joined the Women’s Land Army and served around Victoria. After the war she toured England for a number of years and became a manager with the National Arts Council.

Mrs Neill was married in 1951 and had five children: Simon, Peter—who is now deceased, Catherine, Dougal and Michael. From around the time she was married until her untimely death in 1983, Mrs Neill lived in the Dandenong Ranges, at various stages, in Ferny Creek, Sassafras and Olinda. In that time, Mrs Neill’s contribution to the hills area was enormous. Beth was with the CFA from the late fifties until 1983. She was a feeding coordinator at Cockatoo during the Ash Wednesday bushfires and did a magnificent job. Unfortunately, she suffered a mild stroke after this which led to her passing.

Beth was a trustee of the Sassafras preschool. She was the president of the Sassafras-Ferny Creek primary school mothers club for many years. From 1965 she was a member of the Sassafras-Ferny Creek auxiliary, which assisted the local CFA. Mrs Neill was a Ferny Creek scout group leader, and she made a huge impact on my life through the scouts. With her kind, caring heart, Beth made a huge impact on many young lives.

Accordingly, it is with great pride that I announce to the House that on 10 March 2006 Mrs Neill was awarded the Civilian Service Medal 1939-45. Mrs Neill received the Civilian Service Medal in acknowledgment of her support to Australia’s war effort on the home front during World War II, by virtue of her great service in the Australian Women’s Land Army. This is also a huge source of pride and satisfaction to her family, particularly to her son Mr Simon
Neill who has long sought to have his mother’s important contribution to the war effort recognised.

I am delighted that Mrs Neill has been accorded this honour. Mrs Neill’s passing was a great loss to both her family and the community she had so tirelessly served. However, her spirit of civic-mindedness lingers in the hills today, long after her passing. Once again, I congratulate her son Simon for fighting so hard to make sure his mum's great efforts were recognised with an award. (Time expired)

House of Representatives Class of ’93
Tasmanian Election

Mr QUICK (Franklin) (9.42 am)—Seventeen days ago was a milestone in the lives of the class of ’93. Twenty-seven of us entered this place on 13 March 1993. Sadly, only 15 of us are left. As members may or may not know, in conjunction with the Parliamentary Library, I have numbered all the Australian members of the House of Representatives in alphabetical order as they came in. Much like the Australian cricket team, we all have numbers—from Edmund Barton at No. 1, to Jason Wood, the member for La Trobe, at No. 1,018, who has just departed the Committee. Dick Adams, No. 851, was the first to be initiated and Trish Worth, No. 877, was the last. I am pleased to see here the member for Hinkler, Paul Neville, who is No. 866, and my good friend Peter Slipper, the member for Fisher, who came back after six years in the wilderness, is No. 792, as he had been here previously.

It has been a pleasure to serve in this place for 13 years. Those of us in the class of ’93 are now starting our 14th year. Sadly, for some of us, we have telegraphed our intention that this term, our fifth term, will be our last. We have won five premierships in a row, with a sense of satisfaction. I would just like to say to the electors of Franklin that I have enjoyed their support over the past 13 years. For the remainder of my term in this place, I will work just as hard and tirelessly for them. I will not be thwarted in any way when having my say. Sometimes I upset people in my party both here in Canberra and also back in Tasmania.

Talking of Tasmania, I extend my congratulations to Paul Lennon, the Premier of Tasmania, on his wonderful victory, which was finally declared through the Hare-Clarke system yesterday afternoon. The electorate of Franklin is a multimember electorate, and I am pleased to say that Paul Lennon, Paula Wriedt and Lara Giddings from the Labor Party, Nick McKim from the Greens and Will Hodgman from the Liberal Party will be working, hopefully with me, to ensure that the electors of Franklin receive the very best of service. I was criticised during the state election for saying a few kind words about Nick McKim from the Greens, but I think in this place we should recognise those who work in our electorates in the state arena for the work that they do. As I said, I congratulate Paul Lennon and I look forward to working with him and the other members in Franklin.

Fisher Electorate: Community Water Grants

Mr SLIPPER (Fisher) (9.45 am)—I am pleased to have been able to present certificates to 10 organisations recently under the Australian government’s excellent Community Water Grants program. This program was designed to encourage community groups in schools to undertake programs that will save water. Australia is the driest continent, and it really is important to have this program. While my region of Queensland has experienced very good rainfalls in recent months—and a good proportion of it over the last fortnight as a result of cy-
clones Larry and Wati—there remains a concern about water shortages across Australia, while much of our nation remains drought affected.

The 10 projects in my Sunshine Coast electorate will save some 30 million litres of water annually, equivalent to 30 Olympic swimming pools full of water. This is a significant amount, and it is well worth mentioning that once these programs are in place the water savings will be repeated year after year. One of the projects in particular has impressed me. The Montville State School has been awarded $29,836 under the scheme, money which will help to pay for new tanks that will capture and store rainwater from the roofs of school buildings. The water will then be treated, using an ultraviolet facility, and used for drinking water. It is amazing that on the Sunshine Coast this school currently has no reticulated drinking water. Once the project is completed, it is possible that they may well have some of the purest drinking water on the Sunshine Coast. It all comes through the thoughtful plans put in place by the Australian government. The school estimates that it will save somewhere in the vicinity of 75,000 litres annually.

Altogether, the local organisations will share in funding of almost $421,000. Funds will also go to the following groups: Buderim Wanderers Soccer Club, $49,281 to install tanks to catch rainwater for playing-field irrigation; Chancellor State College, $29,859 to reuse stormwater for field irrigation; Kawana Waters State High School, $26,940 to install 50 new dual-flush cisterns in toilets and urinal sensors in washrooms; Immanuel Lutheran College, $42,550 for a range of initiatives; Mary Creek Catchment Association, $45,380 for the rehabilitation of the riparian zone of Kilcoy Creek; Mooloolah River Waterwatch, $50,000 for fencing off sections of the Mooloolah River to cattle and then revegetating the damaged river bank; the Sunshine Coast Grammar School, $46,791 for a range of initiatives, including installing constant-flow valves and improving the standard of toilets; Siena Primary School, $50,000 for tanks to collect rainwater for use in irrigating ovals and gardens; and Siena Catholic College, $50,000 for tanks to collect rainwater to supply toilets and irrigate gardens. All of the recipients of these grants are very excited. They are enthusiastic about their grants. This program is very sensible, because it improves environmental outcomes and water conservation throughout the country. I commend this program to the House.

Herceptin

Mr BYRNE (Holt) (9.48 am)—I rise today to give this chamber an update on the struggle of Maree Bissels. Maree is a very brave woman who is suffering from HER2-positive breast cancer. She came to this place in February this year with a petition compiled by her from 10,467 citizens expressing their frustration about the slowness in the procedure to fast-track Herceptin, a drug believed to be responsible for the successful treatment of people with HER2 cancers, onto the PBS. I would like to give you an update, as I said, and Maree has asked that I read into the Hansard a record of how she has been going. She says:

I am writing to you in regard to my Herceptin Campaign petitions. Since the end of Feb when I gave you 10,500 signatures to present in Parliament, I have collected 8,000 more.

In fact, it was in the space of a week. She goes on:

These signed petitions are coming from all around Australia now. What I am concerned about is everyone that needs to start Herceptin now ...

She goes on to say that no tests have been done to show results. She says that people who are now paying for the drug are effectively disadvantaged as a consequence of it not being listed
on the PBS. She is complaining about the fact that it will take some length of time for it to be listed on the PBS. She says:

Waiting until June may not seem long but even that could ... cost them $25,000. That is crazy! Just writing this letter upsets me because we are talking about giving people a chance to live. This financial burden on people is too much to bear and for most people impossible to even think of getting. Others, like myself, are struggling to scrape up payments.

What Maree is saying is that it is going to cost her about $95,000 to be successfully treated with this drug. At her stage of treatment, she is running out of money and, as a consequence of running out of money, she will no longer be able to access this treatment.

I say in this place that, if we are a humane and civilised community, we should be trying to ease the suffering of people like Maree and trying to do what we can in this place and elsewhere to fast-track this drug onto the Pharmaceutical Benefits Scheme. It is a very difficult issue to discuss. I have met Maree; she is a good person. What I would ask of this place at this time is that we collectively exercise as much pressure as possible on the government and on the TGA to fast-track this so that many women like Maree will not have to suffer and will be able to continue their treatment of a life-threatening illness. *(Time expired)*

C17 Aircraft

Mr CAMERON THOMPSON (Blair) *(9.51 am)*—I rise today to speak about the decision by the government to purchase four C17 aircraft and the announcement that, following the complete delivery of the anticipated aircraft, they will be based at Amberley in the electorate of Blair. This is fantastic news for the community of Ipswich and for the defence forces in general. These are very advanced aircraft; they first flew in 1991. The decision to purchase them by Australia was announced by the Minister for Defence on 3 March.

As I understand it, a total of $2 billion is being invested in this purchase. But, in order to facilitate the basing of those aircraft at Amberley, a major upgrade of Amberley will be required, and something like $400 million in total could well find its way onto our local base as a result of this decision. There will be $200 million, basically, to provide hangers and simulators and those sorts of things, but I also understand that up to 10 per cent of the purchase price of the aircraft will be invested by Boeing in new facilities at Amberley Air Force Base. This means jobs, it means the future of the Ipswich region, it means the growth of our wonderful defence community and it means the realisation of the expectation that people in our local community have had for some time—that Amberley is to grow to become a super base, the backbone of the Defence Force in Australia, the transport hub. With the provision of C17 aircraft for the military based at Amberley, we will start to realise the potential of that as a hub for the military.

The C17 enables the ADF to rapidly deploy troops, combat vehicles, heavy equipment and helicopters. Even the M1A1 Abrams tank, which is being purchased by the Australian military, can also be deployed using this aircraft, something that cannot be done at present using the C130 aircraft, which are our greatest capacity aircraft at the present time.

The first aircraft, I understand, is to be delivered before Christmas, with another aircraft in July and the final two in 2008. That will mean that, in addition to the F111s currently based at Amberley, we will have the A330 refuelling aircraft based at Amberley and the C17s. We will have a sizeable contingent of people working directly on those planes, but obviously, as these aircraft are basically orientated towards logistics, it will mean that we will also need to have a
huge contingent of people to load and unload, to tranship material and to realise the great potential that these aircraft now give the RAAF. *(Time expired)*

**National Security**

Mr HAYES (Werriwa) (9.55 am)—Our society is on a heightened alert when it comes to threats of terror, and it certainly impacts on our national security. In my own electorate last year there was a series of raids that led to the arrests of a number of terror suspects, which demonstrates just how real the threat is and how home grown it can be. Even Prime Minister Blair reminded us of the constant threat in his recent address to parliament. Despite the real prospect of some form of terrorist attack on Australian soil and all the efforts to train people to lessen that threat and to deal with the aftermath, it is not, quite frankly, as big a fear for the majority of Australians as many might think.

Most Australians want to know that they will be safe in their homes and that, when they go out, they will be safe in the knowledge that their property will still be there when they return. It is my concern, and I know it is certainly the concern of a number of serving and former police officers, that this government’s obsession with counter-terrorism is coming at the cost of tackling day-to-day criminal activities. While the state governments have actively pursued strategies that have resulted in reduced property and other crimes, as reported by the Institute of Criminology, there is a very real concern that at some point in time something has to give, as terror takes on a greater focus for our police forces.

Last week, John Broome, the former head of the NCA, expressed the concern that police have been focusing on counter-terrorism measures at the expense of organised crime. He told the *Australian*:

> Police can’t help but respond to direct pressure to pursue terrorists, and inevitably resources get diverted from other areas.

He went on to indicate that, as police follow up on terrorists’ activities, police are being diverted from ongoing investigations into other criminal activities. Bob Bottom, a noted crime expert, only recently said that the AFP had downgraded their existing crime squads. In fact, around 600 new roles devoted to counter-terrorism have been created in the AFP, which have been filled by existing police and support staff. Their policing roles in the areas where they came from are not being backfilled.

Terrorist activities are a real threat, but the reality is that, for most people, there is a significantly greater chance of being the victim of a crime such as home invasion, car theft or assault or having people sell their kids drugs. They are more likely to experience that than to experience any incident of terrorism. It concerns me that, while the government is continuing to push the terrorist barrow for short-term electoral gain, the real criminal activities that impact on people are being relegated to a secondary consideration.

**Hinkler Electorate: Kyoto Protocol**

Mr NEVILLE (Hinkler) (9.58 am)—The release of Labor’s Climate Change Blueprint was hardly an earth-shattering event, but it did resonate in Gladstone, which stands to lose thousands of jobs if the opposition follows through with its commitment to ratify the Kyoto protocol. Labor has pledged to sign the Kyoto protocol, impose 60 per cent greenhouse gas emission reductions by 2050 and impose carbon trading on Australian industry, all of which
adds up to a disaster for the working families of Gladstone and the wider Central Queensland region.

Labor’s policy might give some ‘warm and fuzzies’, but it will strip investment from industrial hubs like Gladstone and jobs from local working families. Let us not have more of the Beazley cant that he went on with at an earlier election campaign in Gladstone, where he said he would get special arrangements for Gladstone. We all know that is pap. By trying to court the green vote by ratifying Kyoto, Labor is willing to sacrifice Australian jobs, exports and quality of life.

Gladstone’s secret weapon is its ability to provide cheap, coal-fired power, with around $6 billion worth of projects currently on the drawing board. Would we be happy to see these go offshore? These projects include, for example, Queensland Coke and Energy’s joint venture with the Stanwell Corporation, the Gladstone Pacific Nickel project, the Wiggins Island coal terminal development and the expansion of the Fishermans Landing port facilities, which my colleague opposite has actually seen on the drawing boards up there.

Let me make three other points. First, Australia sets targets and meets them, regardless of Kyoto. Second, many of Australia’s competitors, so-called developing countries, would not be constrained by Kyoto. Third, through the Asia Pacific partnership, Australia is helping to achieve some realistic goals and meeting them. Pleasingly, Tony Blair referred to this in his speech in the House this week—an acknowledgment that it is not what a lot of critics in Australia said it was.

A recent study showed that 15 EU Kyoto signatory countries—including Ireland, Italy and Spain—will miss their Kyoto targets. It showed that carbon dioxide emissions will increase in 13 of those nations over the coming years. Seriously, is this the shining path Labor wants to lead Australia down—a path strewn with hypocrisy, unachievable goals and economic stagnation for our country?

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

GENERAL INSURANCE SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2006
Second Reading

Debate resumed from 2 March, on motion by Mr Dutton:

That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (10.01 am)—The General Insurance Supervisory Levy Imposition Amendment Bill 2006 is noncontroversial and enjoys the support of the opposition. It is a cost-recovery amendment to the General Insurance Supervisory Levy Imposition Act 1998 for insurance companies directly using the APRA insurance database to recoup costs in operating that database. It removes other insurance companies that do not use the database from being levied. More specifically, the General Insurance Supervisory Levy Imposition Amendment Bill 2006 enables a special levy component to be imposed on a class of general insurance company regulated by the Australian Prudential Regulation Authority.

The bill will amend the General Insurance Supervisory Levy Imposition Act 1998 to allow for the Treasurer to determine the special levy component to be imposed on a class of general
insurance company. The measures contained in the bill are designed to provide for increased flexibility in the recovery of costs incurred by APRA. The bill provides that costs incurred by APRA in performing an activity relating to a class of general insurance company are not necessarily recovered from all general insurance companies. For example, the bill will enable costs associated with a national claims and policies database to be recovered only from those general insurance companies who benefit from that database. A class of general insurance company can be determined by the classes of businesses written by the general insurance company.

The general position taken by this government is that regulators should be funded by cost-recovery mechanisms through levies on the sector. Labor generally supports this position. However, it should also be noted that the introduction of these levies does constitute a breach of commitments the government have made on the introduction of new taxes. These commitments were made before coming into office and have been broken on a regular basis. They have broken them in a range of other taxation areas such as income tax and of course company tax.

The bill also creates the power for the Treasurer to issue new taxes without legislation. In general this is not a sound way forward and Labor would prefer that matters relating to the imposition of charges of this nature occur through legislation rather than regulation. But the opposition looks upon the bill as being noncontroversial and an appropriate initiative. The bill has our support.

Mr CIOBO (Moncrieff) (10.03 am)—I am pleased to rise to speak to the General Insurance Supervisory Levy Imposition Amendment Bill 2006. The government recognises the importance of ensuring that consumers are able to access affordable insurance. Insurance provides the important function of allocating and pricing risk. If insurance is unavailable or unaffordable, many economic and social activities simply do not take place. This is particularly true in the case of professional indemnity and public liability insurance. Many will remember the crisis in public liability and professional indemnity insurance that occurred in 2002. This was due in part to the rapid increase in payouts through the courts for negligence during the 1990s and into the early part of this decade. This pressure was compounded by the collapse of HIH and the attacks on the World Trade Centre in 2001. This was followed in 2002 by the concerns that we had with medical indemnity.

Many professionals in my electorate of Moncrieff on the Gold Coast, as well as in other centres around Australia, were at risk of not being able to practise. In addition to that, community groups were unable to hold important social, cultural or sporting events. I spoke with many different community groups in my electorate about these matters, regularly taking the opportunity to highlight to them the moves the government was taking and the reforms it was making to ensure that, when it came to public liability in particular, they would be catered for and that they would be able to continue to undertake their community activities, which form such an important and necessary part of the social fabric not only of the Gold Coast city but more broadly.

I am pleased to say that the government’s actions in the area of tort law reform, specifically through changes to the Trade Practices Act and the Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure) Act 2004, have certainly delivered results, especially for community groups. To ensure that the benefits of these reforms are passed on to
the community, the government asked the Australian Competition and Consumer Commission and the Australian Prudential Regulatory Authority to examine and report on the market for public liability and professional indemnity insurance. As a result of this work, insurers and members of the community can now access information about the markets for these types of insurance. The good news is that both public liability and professional indemnity insurance is more available and affordable now in Australia.

The fifth ACCC report, released in August last year, shows that premiums for both public liability and professional indemnity insurance fell by four per cent in 2004. Similar results emerged from APRA’s first report from the national claims and policies database, also released in August last year. This is certainly very welcome news for the community. It means that community events such as fetes and festivals, which were at risk, are now certainly under less financial pressure and indeed are continuing in our community today.

One way the government can continue to work to ensure that insurance remains affordable in these areas is to ensure that the insurance industry remain able to access reliable data to help them better understand the nature and extent of risks in the area of public liability and professional indemnity. With this in mind, the national claims and policies database was commissioned by the government, in the context of concerns in relation to the availability and affordability of public liability and professional indemnity insurance. Unlike the ACCC survey, the database has been designed to capture public liability and professional indemnity information directly from insurers. Over time, this will provide the most accurate and comprehensive picture of the availability and pricing of public liability and professional indemnity insurance in Australia. The insurance industry, through its representative body the Insurance Council of Australia, welcomed the establishment of this database in its media release of 20 April 2004. Information within the database is used to report on the market and to assist insurers, government and other stakeholders in analysing the market.

As mentioned, the government released the first report from the national claims and policies database last August. APRA continues to work with the insurance industry to refine the accuracy of the data collected and to provide more specific analysis to help with pricing. Insurers operating in Australia are regulated by APRA. In keeping with the general cost-recovery principles that this government has established and continues to ensure that we abide by, the costs incurred by APRA in managing the regulatory framework are recovered from the insurance industry now through a supervisory levy.

APRA also incurs costs associated with tasks not directly related to its supervisory responsibilities. For example, it incurs costs in operating the national claims and policies database. However, not all general insurers offer public liability and professional indemnity insurance. This bill provides for a special levy which will allow the recovery of costs from a class of general insurance company—namely, the bill will allow the recovery of costs only from insurers who are contributing to the national claims and policies database. I certainly believe that only those insurers who contribute to and thereby can benefit from the database should contribute towards its costs. Insurers who do not use the database should not expect to fund it. The industry has been aware of the levy from the outset. This makes good sense for the industry and will assist in making sure that public liability and professional indemnity insurance remains available and affordable.

MAIN COMMITTEE
I was certainly pleased to note that the shadow minister indicated Labor’s support of this bill. I am pleased to see that there was not a scare campaign with regard to this bill, because it will have a small—albeit exceptionally small—impact on premiums. But the premium impact is certainly more than outweighed by the benefit that will flow to the industry broadly and generally as a consequence of the imposition and of the creation of this database. I commend the bill to the chamber.

Mr DUTTON (Dickson—Minister for Revenue and Assistant Treasurer) (10.09 am)—in reply—At the outset I thank the member for Moncrieff for his contribution to this debate on the General Insurance Supervisory Levy Imposition Amendment Bill 2006—not just for his speech a few moments ago but also for his chairing of the backbench committee, which has been a significant part in the government providing for good outcomes in the insurance area. He has had a direct impact in helping local community groups not just in his electorate but around the country.

The government is committed to making sure that public liability and professional indemnity insurance remains available and affordable in this country. In 2002 a very real crisis was facing the community, the insurance industry and the government. Both public liability and professional indemnity insurance were getting harder to find and more expensive to purchase. This was having a significant and detrimental effect on the community. Many professionals such as doctors, architects and engineers were reporting dramatic increases in professional indemnity premiums. As a result, many were considering leaving their professions.

When the government looked at what was happening it found that on average premiums for professional indemnity insurance had increased by more than 65 per cent in the two years prior to 2002. The situation was, in this government’s view, untenable. The government also saw other significant issues facing the community. In particular, community activities such as fetes, social clubs and sporting events were under threat and faced cancellation. In many cases this was due to insurance simply not being available or, if it was available, premiums had increased beyond the financial resources of the organisation. Many of these organisations unfortunately were not-for-profit community groups.

The government responded to these concerns in the first instance by convening a series of ministerial meetings, commencing in March 2002. These meetings resulted in a nationally coordinated approach to improve the affordability and availability of insurance. Since that time each jurisdiction has undertaken a range of tort law reforms, which has seen public liability and professional indemnity premiums reduce.

From the outset, however, it was recognised that the lack of reliable and public information about these forms of insurance was a problem not just for the industry but clearly for the government as well. It also meant that consumers were in the dark about average premiums and the availability of such insurance. Therefore, the government asked the Australian Prudential Regulation Authority, APRA, as the industry regulator, to build a detailed map of the nature, pricing and coverage of public liability and professional indemnity insurance. APRA, in close consultation with the insurance industry, has developed the national claims and policies database, which will capture a range of information to help with the pricing of public liability and professional indemnity insurance. The database is designed to assist the insurance industry to better assess risk, to determine appropriate premiums and reserves, and to facilitate greater transparency in commercial decision-making by insurers. APRA is currently collecting a
range of information directly from insurers. Over time the database will provide the most comprehensive and reliable information about public liability and professional indemnity insurance in this country.

The Insurance Council of Australia, which represents over 90 per cent of insurers, has supported the development of the database. It should be commended for doing so. I appreciate its support for this very important development. In keeping with existing cost-recovery principles, this bill serves to ensure that APRA recovers from industry the costs associated with the database. It is worth noting that it will only collect the levy from those insurers who contribute to it and thereby can benefit from it. This bill ensures a continuation of the database for the benefit of not just those insurers who provide public liability and professional indemnity insurance but, importantly, consumers and the community more broadly. On that basis I commend the bill to the Main Committee.

Question agreed to.

Bill read a second time.

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

HEALTH AND OTHER SERVICES (COMPENSATION) AMENDMENT BILL 2006

Second Reading

Debate resumed from 2 March, on motion by Mr Abbott:

That this bill be now read a second time.

Ms GILLARD (Lalor) (10.14 am)—Mr Deputy Speaker, I hope you will allow me a minute of indulgence in order to say that I have just come from the Juvenile Diabetes Research Foundation event in Parliament House, where the government announced some additional money for research into a cure for diabetes. I offer my congratulations to the government on the making of this announcement. This is truly a bipartisan cause, which I think was best demonstrated by the number of parliamentarians from all sides of politics who were present at the launch. I note that the member for Fairfax, who will speak after me in this debate, was at the launch; in part, he was there as a result of his personal experience with diabetes. I am sure everybody here knows of someone who suffers with diabetes, and particularly knows of children who suffer with type 1 diabetes. We are seeing unexplained increases in type 1 diabetes, and we know that the incidence of type 2 diabetes is on the rise because of modern lifestyles. So this research is very important and the quest for a cure is a vital one.

With those few words, I turn to the substance of the Health and Other Services (Compensation) Amendment Bill 2006, which is before the House today. This bill makes amendments to the Health and Other Services Compensation Act. The amendments mean that, if you have been injured and have received compensation for this injury, any benefits or subsidies paid, for example, from an insurer or company or individual in relation to that injury, must be paid back to the Commonwealth to prevent so-called double dipping. That is where a person who has been injured has been extended support through our Medicare system, or perhaps has had access to a nursing home bed because their injuries are so severe, and the ordinary Commonwealth payment arrangements have occurred for that. If, at some time, a compensation settlement is made which covers those costs, it is appropriate for the Commonwealth, which has paid those costs, to recover the amount involved.
The original act was introduced after longstanding provisions in the Health Insurance Act 1973 and the National Health Act 1953 were seen to be ineffective in the recovery of moneys owed to the Commonwealth in such situations. The act was passed with bipartisan support and took effect from 1 January 1996. Obviously, with that date on the act, we can all see that there were bipartisan endeavours extended here, as the whole process was dealt with at the time of a change of government.

The act allows for the recovery of moneys from a claimant for Medicare, nursing home or residential aged care services received in relation to an injury which is subject to a compensation claim. All compensation or settlements of $5,000 or less are exempt from the act. This is due to the considerable administrative cost of recovering moneys, which it is estimated costs Medicare Australia more than it recovers for claims below $5,000.

The program is administered by Medicare Australia, formerly the Health Insurance Commission. Once an injury or compensation case reaches judgment or settlement, the act requires insurers and other compensation payers to advise Medicare Australia of any claims where the compensation provided amounts to more than $5,000 inclusive of all costs. Medicare Australia then determines the amount of Medicare benefits, nursing home benefits and/or residential care subsidies that have been paid out in the course of treating the compensable injury or illness and collects the repayment of this amount. In 2004-05, the HIC recovered $24 million under the compensation recovery program. So, clearly, with a statistic like that, this is not a huge program, but $24 million is not an insignificant amount of money. It is small compared to the size of the Commonwealth budget sector but not small in the eyes of many Australians.

Since the act was passed in 1995, a series of amendments have been made to refine the operation of the act and, in particular, to overcome administrative complexities and implementation problems which were the source of much criticism from the insurance and legal fraternities, not to mention claimants. The act has also proved to be onerous for Medicare Australia. In 1998-99, the HIC recovered $31.9 million under the program but spent $14.7 million—almost half the total recovered amount—in administrative costs in doing so. So, clearly, for any program where the costs of recovery are running at around 50 per cent, there are issues that need to be addressed. Since the act was passed in 1995, a series of amendments have been made to refine the operation of the compensation recovery program and, in particular, to overcome administrative complexities and implementation problems which proved cumbersome for insurers, claimants and the HIC in administering the program.

In the 2001 review, a key shortcoming of the act was found to be its administrative complexity which, as I said, resulted in almost 50 per cent of benefits recovered by the Commonwealth being subsumed by the administrative costs associated with the recovery process. The amendments proposed in this bill build on amendments in 2001 which sought to further clarify administrative complexities in the bill. However, some of the proposed amendments do seem at odds with previous views on improving aspects of the bill—in particular, with regard to advance payment options. On this issue, it appears the government is satisfied with retaining the status quo, which does deliver certainty for Medicare Australia but may result in overpayment to the Commonwealth rather than make improvements which could benefit the administration of the act and which could potentially benefit claimants. Labor is prepared to support this bill but believes there is further work to be done to ensure that these recovery mechanisms are in the best possible shape.
I will now canvass the specifics of what is comprehended in the bill before the Chamber today. The act provides for the recovery of moneys by the Commonwealth, as I have said. The bill makes a number of amendments to this process: one of them is substantive and the others are for the purpose of clarification. The main amendments are, firstly, removing a sunset provision which is currently operative until 1 July 2006, which applies to the advance payment option so that this option still applies—that is, without this amendment in the bill before the Chamber, the advance payment option would cease to exist on and after 1 July 2006.

Secondly, this bill repeals section 4(2)(d) of the act to clarify that all claims, even in the case of fatalities, are subject to recovery under this act. The first amendment will repeal section 4(2)(d) to clarify this issue. This means that all compensation claims which include past Medicare costs and any nursing home or residential care costs which involved fatal injury or disease are now clearly covered under the definitions.

Thirdly, the bill ensures consistency of trigger dates for the provision of benefits statements by Medicare. Section 17(6)(a) will be changed so that the date of the accident becomes the trigger for which Medicare must provide a statement of benefits. This is being done to ensure that section 17(6)(a) and another section of the act which also refers to the trigger date, section 23(3)(b), are consistent.

Fourthly, the bill provides for an internal review to take place prior to consideration by the Administrative Appeals Tribunal. This process would prevent the AAT review taking place until the internal process is concluded. This amendment provides for a process of internal review by Medicare Australia in relation to the statement of benefits. There is, I must say, little information in the bill on how this might affect the rights of claimants and how delays by Medicare Australia might jeopardise an action in the AAT. In that regard, it may be that further consideration of this amendment by a Senate committee could assist with clarification of the bill.

Clearly, there are many other sections of government where an internal review process must be undertaken before an affected person can take a claim to the AAT. Certainly, as a matter of principle, there is nothing wrong with that process; indeed, it might streamline issues and mean that a lot of matters which otherwise would have gone to the AAT are resolved at an earlier stage. So, as a matter of principle, Labor has no problem with the amendments. But, of course, it is important when you are in effect putting into place an internal review process—in which, until it is completed, the applicant cannot approach the AAT—that the internal review process is rigorous and is pursued in a timely fashion. That means Medicare Australia should not artificially or incompetently hold up the internal review process and therefore delay people’s access to the Administrative Appeals Tribunal. Labor would seek some clarification of these matters. Whilst this is ultimately a decision for the other place, it may be that a Senate committee could assist with the clarification of this matter.

On the question of the advance payment option, the concern about the sunset clause coming into operation on 1 July 2006 is clearly the main reason for bringing the bill before the parliament. Without this bill abolishing that sunset clause, people would lose access to the advance payment option. The explanatory memorandum of the 2006 bill states that the advance payment option:
... allows compensation payers and insurers to pay 10 per cent of the judgment or settlement to Medicare Australia to cover the Commonwealth debt, allowing claimants immediate access to the remaining 90 per cent of their money.

That is, it is a specification of a fixed percentage rather than delaying the payment of the compensation settlement to allow a precise calculation to occur. Currently over 80 per cent of the 50,000 judgments or settlements recorded per annum under the act are finalised under the advance payment option pathway. This is then clearly a pathway that is being heavily used. It would be inappropriate for it to come to an end on 1 July 2006. Labor supports the amendment to keep the advance payment option in operation beyond that.

It should be noted that, in addition to the advance payment option, Medicare Australia can be repaid using the non advance payment option and the section 23A statement procedure. As the name clearly suggests, the non-advance payment option means that, if the amount of compensation is known, the amount payable to Medicare Australia must be reimbursed before the balance of the settlement can be paid to the claimant. The section 23A option is available only to those who believe that no reimbursement to the Commonwealth is required—that is, that they have not been paid any benefits or subsidies in relation to their accident or injury which would be truly repayable to the Commonwealth. Clearly, this mechanism will continue to exist for those who are disputing the recovery question which is dealt with under this bill.

It should be noted that the act and the compensation recovery program were subject to a review by Mr George Pooley in 2001. He considered whether the advance payment arrangements should continue to operate. The arrangements were originally introduced as a temporary measure to deal with a backlog of cases that had built up after the initial recovery regime commenced on 1 January 1996. The second reading speech at that time indicates that the streamlined processes envisaged under the provisions of this bill, together with earlier streamlining, mean that the advance payment option was required. As noted, because it was viewed to be a temporary measure, there was a sunset clause. It is the removal of that sunset clause that we are dealing with today.

We know that in the second reading speech the minister stated that, without this repeal, claimants will not have access to the majority of their compensation at the time of settlement. Labor acknowledges that this statement by the minister is true and that past experience has shown us that the administration of this act has been costly both to the Commonwealth and to claimants. The status quo—that is, if the non advance payment option method is used—shows that there can be large delays in claimants accessing their compensation payments. It would, therefore, be inappropriate to throw everybody onto this track by not having the advance payment method in operation.

I note that the 2001 review recommended that a sliding scale be established for the advance payment option arrangements whereby for judgments or settlements between $5,000 and $10,000 the advance payment option would be five per cent, for judgments or settlements between $10,000 and $50,000 the amount would be three per cent, and for judgments or settlements in excess of $50,000 the advance payment option would be one per cent. There needs to be further consideration of these issues in terms of a sliding scale. It may be that in the future an opportunity can be taken to further improve the regime that is comprehended by this bill.
Labor supports this legislation. Clearly, the compensation recovery mechanisms were first implemented with bipartisan support. Whilst the measures in this bill are an improvement, we suggest there is probably some further work to do to further improve recovery mechanisms to make them as efficient as possible. There are outstanding recommendations from the Pooley review which we believe have merit and ought to be further considered. At some later point, the government ought to consider those recommendations and assess whether or not they should be implemented. We do not view the passage of this bill as precluding that process, and we trust the government would take that on board as a way of further improving this system. With those words, I repeat that Labor support the bill, and it will be dealt with this morning.

Mr SOMLYAY (Fairfax) (10.30 am)—Health care is a vitally important issue to all Australians: it is particularly important to the elderly, it is important to our young families, it is important to my constituents, it is important to me, it is important to the Howard government, and I have no doubt it is important to the opposition and their constituents also. We hear it said quite often that Australia has a world-class health system. I believe we have world-class clinicians, but the Australian health system is coming under enormous pressure. It will be the major problem facing governments of all persuasions for a long time to come.

I see the Assistant Treasurer, the member for Dickson, is in the chamber at the moment. In the debate concerning the budget surplus—whether or not it should be used for further tax cuts and what sorts of tax cuts, or whether it should be used in infrastructure—I want to make sure that this issue of health is considered. There is a need for an injection of funds into the health system because it is losing its world-class status; it is becoming a system in crisis.

We have the example of the Beattie government in Queensland; it is an unfortunate example of how to mismanage your health system and the health dollar. Not only do we have the worst state government in the history of Queensland but we also have the worst management of the health system in Queensland’s history. The Queensland health system is in a critical state, with massive organ failure. The reason is that the Labor government have said to themselves: ‘We’ve got to cut health costs to fund the Premier’s PR machine and programs and fund good Labor Party projects like football stadiums. What we need to do is keep the health system brain alive and enlarge it with lots of managers, cost cutters and bureaucrats, but we’ll bravely and fearlessly cut costs and minimise our expenses on other vital organs.’ Those vital organs have been the doctors and nurses who actually provide the health care.

Any school student can tell you—well, maybe not, considering the Queensland education system; but any first-year medical student can tell you—that, if organs such as the heart or the lungs stop functioning, then the whole body dies and the brain with it. This is what is happening under the Beattie government in Queensland: no matter how many bureaucrats or consultants it hires, the state health system is convulsing and is on the verge of organ failure because of the government’s mismanagement.

In contrast, we have before us this small piece of commonsense legislation, the Health and Other Services (Compensation) Amendment Bill 2006. The Health and Other Services (Compensation) Act 1995 enables the Commonwealth to recover residential or nursing home care Medicare related payments once a compensation case is settled in a claimant’s favour. Those Medicare and related costs are included in the calculation of a damages payout, and the act ensures that the successful claimants do not double-dip by obtaining benefits, such as Medi-
care, as well as obtaining the equivalent costs built into the payout figure for the compensation claim.

This bill does not seek to change that situation. However, the original act includes provision for an advance payment option, or APO, which allows compensation payers and insurers to pay 10 per cent of the judgment to Medicare Australia, and the balance of the settlement then to be released to the claimant. In this way, claimants are not disadvantaged while waiting for the exact amount owing to the Commonwealth to be sorted out.

The reason for this legislation is that, when the original act was passed, the opposition and minor parties were a little nervous about the APO provision and included a sunset clause in section 33AA of the act. Unless that sunset clause is repealed, that advance payment option will no longer exist after 30 June this year, and compensation claimants will no longer have access to the majority of their compensation money at the time of judgment. Even after a judgment is handed down, they will still have to wait until the exact amount owing to the Commonwealth is sorted out before they can receive any money. We want to prevent that from happening.

As the Minister for Health and Ageing said in his second reading speech, of the 50,000 judgments or settlements reported under the HOS(C) Act each year, more than 80 per cent utilise the advance payment option. That means a lot of people will be disadvantaged if the sunset clause is not repealed. For battling families with personal injury settlements, this could be vital to their financial situation. The bill includes other minor technical amendments designed to clarify the intent of the act and provide a formal review pathway. Its main intent is to repeal the sunset clause on the APO provision. Although the opposition did not have the vision to fully grasp the concept of the AP option in 1996, hence their limiting it, now that the act has been operating successfully for 10 years, hopefully they can see that it will cause hardship to affected families if the sunset clause is not repealed before 30 June this year. I commend the bill to the chamber.

Mr DUTTON (Dickson—Minister for Revenue and Assistant Treasurer) (10.37 am)—On behalf of the government, I thank those on both the government and opposition sides for their contributions to the debate on the Health and Other Services (Compensation) Amendment Bill 2006. I note in particular the contribution by the member for Fairfax. His electorate is just to the north of mine, and the Caboolture Hospital is located halfway between our electorates. He knows only too well the effects on both his constituents and mine of the mismanagement of the Caboolture Hospital by the Beattie government. It is indicative, regrettably, of the way in which Queensland Health has over a period of time deteriorated to a point where people’s lives are put at risk in our constituencies. It is something that spin can no longer cover up. The people of Queensland are very serious about demanding a better bang for their health buck, and they are very deserving of it.

As the Minister for Health and Ageing explained in his second reading speech, the Health and Other Services (Compensation) Act enables the Commonwealth to recover Medicare, residential care and related payments once a compensation case, usually common law or WorkCover, is settled in a claimant’s favour. As damages take into account the full costs of the injury, including Medicare costs, the double dipped costs are paid back to consolidated revenue.
The act provides for an advance payment option, or APO. This APO allows compensation
payers and insurers to deposit 10 per cent of the judgment or settlement with the Health Insur-
ance Commission, with the balance going straight to the claimant. In this way, claimants are
not disadvantaged while the exact amount owing to the Commonwealth is sorted out. Any
deposit in excess of the recoverable amount is refunded. The APO was passed by the Senate
with a sunset clause which expires on 30 June 2006. The main aim of the bill is to extend the
provision in perpetuity. It is unfair to the taxpayer that claimants can be doubly compensated
for expenses for which Medicare and other Commonwealth payments have already been
made.

There were understandable reservations in 1996 about how this arrangement would work.
At the time, there was concern that claimants could be disadvantaged by paying moneys up
front as a bond to the HIC, but it is now very clear that these measures have worked in the
interests of claimants. The Insurance Council of Australia and the Law Council of Australia
support the continuation of the APO. Clearly, they benefit from quicker access to client fees
and lower administrative costs. But, more importantly, clients are very happy. Complaints
from clients about delays to settlements are almost nonexistent, and it appears that clients are
particularly happy that their overall settlements are not tied up while the fine details of debts
to the Commonwealth are sorted out. For battling families with compo or personal injury set-
tlements, this could be vital to their financial situation. These amendments, as well as the
other minor technical amendments also contained in this bill, are commonsense and fair, and I
commend the bill to the Main Committee.

Question agreed to.

Bill read a second time.

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

**CYCLONE LARRY**

Debate resumed from 28 March, on motion by Mr Ruddock:

That this House acknowledge the terrible impact that Cyclone Larry has had on the residents of far
north Queensland and recognise the efforts and contributions of those communities, and of govern-
ments, to restore normal life to the region.

Mr BEVIS (Brisbane) (10.41 am)—Cyclone Larry has been responsible for one of the
most devastating and destructive natural events in Australian history. It will certainly rank if
not as the greatest then certainly as one of the greatest natural disasters that this nation has
had to deal with since Federation.

Cyclones are not uncommon to those of us who live in Queensland. For those in North
Queensland, it is an all too common event. But cyclones of the destructive power of Cyclone
Larry are well beyond the normal range of what any society could hope to plan to deal with.
Many of us can recall the devastating 1974 floods. In fact, just before those floods in Brisbane
in 1974 I had spent the previous month in North Queensland, which had also been going
through the cyclone season and floods. It is one thing to deal with cyclones that produce
floods that tend to have a localised effect in the areas surrounding waterways and some
drains, but it is a very different thing to contend with a cyclone that has destructive winds in
excess of 250 kilometres an hour that are sustained for hours on end.

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The images that we saw on our televisions and in our newspapers of the destructive force were truly frightening, with buildings that had been cut in half, roofs that had gone and sugar-cane paddocks that had been levelled—and sugar cane is a pretty thick crop, densely grown. Those of us from Queensland who grew up playing around banana plants know how easy it is to tear off their leaves or even to knock them down, but to see acres upon acres of banana plantations destroyed and cane fields flattened would have been an awesome thing to witness. It must have been, and still no doubt is, an enormously worrying event for those in North Queensland.

As well as acknowledging the severity of the devastation that occurred, I want to take this opportunity to particularly acknowledge and thank those who have been involved in providing the support and the response. As you would expect, in the hours that followed the devastation people from the normal emergency service teams were providing support. Local police, fire brigade officers, ambulance officers, nurses, health workers and SES volunteers all played a part in the immediate aftermath in trying to establish some order and safety.

I want to pay particular credit to those from that group who themselves were affected. It has not been something that has been particularly widely recognised, but the truth is that police officers who lost their houses like everybody else nonetheless turned up for duty to help out in the community. They did not do that just on the first day and they did not do it on an eight-hour shift; they did it around the clock. Some of them, after a few days of working long hours, needed to take a break, and that break came because support for those in North Queensland was provided from other services in Queensland and from elsewhere in the country, which has been greatly appreciated.

Volunteers have made themselves available from other parts of Queensland, including from other parts of North Queensland and I know also from south-east Queensland, and have gone up there to provide support. They have included nurses, health workers and tradespeople. There is a desperate need for tradespeople who are able to assist in the reconstruction work. All of those who have made themselves available deserve credit. As well, I want to especially acknowledge the contribution and sacrifice of those who themselves were affected but nonetheless upheld their duty to ensure that the community was able to get back on its feet.

In times of terrible adversity and disaster we very often do see the true underlying character of people. I was taken by the response of people in places like Innisfail, Babinda and other towns where we saw shop owners without power, and in some cases without a roof over their heads, deciding: ‘The food is obviously not going to last. We’ll put a barbie on in the street and anyone can come along and have a feed.’ Many people did not have a fridge or a table to eat off; they did not have anything to cook on. You saw people in North Queensland making food available to their friends, neighbours and strangers so that some degree of normal life could continue and the basics could be provided for.

When watching that it did strike me what a wonderful sense of character those people in North Queensland have. It is in contrast to the scenes we saw of the terrible devastation in Miami after Hurricane Katrina hit, where, to my horror and amazement, rather than seeing the best of human nature, we tended to see the worst of human nature. It stands all Australians in good stead to know that deep down there is that sense of decency that was exhibited by those people in North Queensland. For that, if nothing else, we should thank our fellow Australians in North Queensland for the way they conducted themselves. At a time when the normal
structures of civilised society had been struck down, overwhelmingly their instinct, by and large, was to do the right thing and to help their mates. Good on them for that.

I want to also acknowledge the very forthright and direct support that the Queensland government provided. Premier Peter Beattie was on the scene very soon after the storm had passed through, as were other ministers. I recall seeing on TV my good friend the Minister for Emergency Services, Pat Purcell, amongst the crowd, with his booming voice and tall stature, lending his support. I know the Minister for Police and Corrective Services, Judy Spence, and the Minister for Public Works, Housing and Racing, Rob Schwarten, have been playing a part, as well.

I also want to acknowledge the willingness of the Prime Minister to visit the area a couple of days after the cyclone hit, accompanied by the Leader of the Opposition, Kim Beazley. They visited the area affected and provided both moral and financial support to the people. These are times when partisan politics really has no place. It was thoroughly appropriate that the Prime Minister and the Leader of the Opposition should visit that area together and provide support to their North Queensland fellow Australians. That was a good thing to see.

It would be remiss of us in this place in a debate like this not to also acknowledge the contribution that General Peter Cosgrove is making and will continue to make. He is a fine Australian. Many of us in this parliament have had the great pleasure of meeting him and being involved with him at gatherings, committees and various other things. His willingness to get back into harness, as it were, for the good of the community is a welcome thing. He is a person of great ability and impeccable integrity. I have no doubt that his expertise and leadership will assist in the recovery.

We should not underestimate the magnitude of this recovery. It was not localised in the sense of a suburb or even a town; a group of towns were effectively decimated. All the normal processes of civilisation were destroyed. There was no water supply, there was no power, there was no sewerage and, in many parts of the area, there was no landline communication. To re-establish necessary power was a major undertaking in itself. The state government and Energex’s capacity to get large generators relocated from elsewhere in the state so that a clean water supply could be available within a short period of time was a good demonstration of how an emergency response team should operate. I think those involved with emergency service coordination in Queensland have done a fine job and no doubt could teach some in other parts of the world how to deal with these sorts of situations.

The Australian defence forces, as always, played their part. Soon after Cyclone Larry had been through that area, we saw Australian Defence Force personnel on location with their sleeves rolled up, shovels in hand and engineering equipment at the ready. Their participation was essential in providing recovery. Importantly, the flights of Hercules aircraft into the area providing food and water supplies in the immediate days after were essential. North Queensland is home to a very large part of the Australian Defence Force. Many people recruited into the Australian Defence Force come from Queensland—a disproportionate number, in fact, of Defence personnel come from Queensland. So for many in uniform this was not an abstract event. This was an area well known to them and in some cases, no doubt, it was their home as well.

Any of us who have had the great pleasure of travelling through North Queensland know how beautiful it is. My first ventures there were in the early 1970s. You are struck by its mag-
nificent natural beauty. Whether it is the subtropical rainforests, the green cane fields or the immaculate South Pacific panorama that you look out across from just about anywhere you go up in North Queensland, it is truly filled with natural beauty—a wonderful place.

This cyclone has been a major problem in the short term, but I have absolutely no doubt that the effort being put in by the locals and the contribution being made by the Queensland state government, the Commonwealth government and the people of Australia will see that area rebuilt. As Peter Cosgrove said the other day, it will be bigger and better than it was. That is a big call, because North Queensland is a pretty darn good place to be at any time, but I think he is right. It will be bigger and better—and I do not just mean in its physical reconstruction. I am sure that those who have lived through this and who have been through that process of helping one another have a sense of unity and purpose that will make them even more unbeatable.

The trouble with people from North Queensland—I can say this as a South Queenslander; it is a bit like the Australians and the Kiwis—is this. The state of origin match between Queensland and New South Wales is a tough game but a game of football between the Brisbane Broncos and the North Queensland Cowboys is even tougher, I suspect. As a Brisbane boy, the one problem I foresee is that those Cowboys will have an extra set of arms and an extra set of legs as they carry the pride of North Queensland after this disaster! However, we wish them well because they have been through a lot. They have stood up to it incredibly well. I know that the thoughts of all the people in this parliament are with them.

Mr SLIPPER (Fisher) (10.54 am)—I suppose it is not very often that I sit in the House and listen to the honourable member for Brisbane and agree with every word that he says, but today I do. It is interesting that it seems to take a time of great adversity for us to fully appreciate the values we share. We learn how we are able to work together and we realise that the things that unite us are very much more important than the things that divide us.

The North Queensland area over the years has had its share of cyclones. Cyclone Larry was a category 5 cyclone and, as such, was in the most extreme variety of that force of nature. I know Innisfail quite well. Prior to my being elected to office, I used to do legal locums. I used to manage practices as a junior legal practitioner and, I suppose, make mistakes at other people’s expense. I suspect I gained about 10 years experience in one, as I was privileged to manage various legal practices throughout the state.

I spent some time in Innisfail, and during that period I got to know many of the locals. I am well aware of how resilient North Queensland people are. I grew up partly in North Queensland, and both my parents are from North Queensland. We were always aware of the constant danger of cyclones. There was always a cyclone that threatened during the cyclone season. It is, however, a tragedy when a cyclone of the strength of Cyclone Larry descends and sweeps all before its path, creating devastation which is almost impossible to contemplate.

I want to place on record my admiration for the response of the Australian government and the Prime Minister—and the Queensland Premier, for that matter. The Prime Minister in the parliament a couple of days ago gave full credit to the level of cooperation between both governments. He said he was liaising regularly with the Premier of Queensland. Together, governments could not have performed any better in helping to improve the situation after the devastation wreaked by Cyclone Larry.
I think General Cosgrove said that the only way to avoid a cyclone would be to pick Australia up and take it 200 miles in another direction, out of the cyclone area. I was very heartened when the Australian government—and, presumably, the Queensland government—cooperated in the appointment of General Peter Cosgrove to oversee the reconstruction after Cyclone Larry. I have long had a concern that we force our senior military officers out of their positions at far too early an age. When a person is the Chief of the Defence Force, he is not expected to be as fit as he would have been when he was a new recruit. Over the years, those at senior levels of the defence forces acquire an amazing amount of expertise. It seems that we push them out in their prime. However, to continue to use people like General Peter Cosgrove—and I know we have used other former senior officers; I suppose the Governor-General himself is a former senior officer—I think is important.

Mr Windsor—As with you, Petro.

Mr Slipper—Are you a former senior officer, Member for Kooyong?

Mr Windsor—No, I meant he was being pushed out in his prime.

Ms Hall—We appreciate the fine work he does. It’s good to have an independent thinker, and you in the Liberal Party should appreciate that.

Mr Slipper—I know the member for Kooyong would certainly appreciate the kind words being uttered by his colleague opposite. Returning to the motion before the House, I suppose it is not quite as bad if our senior officers retire early, as long as we can use them fully and productively the way that General Peter Cosgrove will be used to apply his undoubted organisational skills in helping to improve the situation following the arrival of Cyclone Larry.

North Queensland people are resilient. The member for Brisbane pointed that out to the chamber. While people do expect the occasional cyclone—and I mentioned how, when I lived in North Queensland, cyclones were the order of the day—the total devastation caused by Cyclone Larry is very much a once-in-a-lifetime situation. When you look at the fact that there was devastation of almost all crops, that 45 schools were closed, that there was disruption to services such as electricity, sewerage, water and medical services and a total shutdown of industries like tourism, farming and even corner shops, you have to appreciate that, although cyclones are not uncommon in North Queensland, this was an extraordinarily uncommon sort of cyclone for North Queensland to have.

A storm of this magnitude had not been seen in Australia for about 100 years. It is rare. Although people know about the risk of cyclones, they certainly would not expect to see a cyclone like Larry. Many people have drawn a comparison between Cyclone Larry and Hurricane Katrina. They were both, I understand, of similar force. As the member for Brisbane pointed out, Hurricane Katrina brought out the worst in many people, but, ironically, Cyclone Larry brought out the best in people in Australia.

It is not possible to restore all services overnight, and there were some complaints from some people who said that everything should be fixed overnight or in 30 minutes. But most people would appreciate that governments are doing what they can, as they should be doing, and that it just is not possible to overcome the damage caused by a cyclone of the strength of Cyclone Larry in five minutes.
Like other honourable members, I was really impressed with the way the local community pulled together—the way in which people supported their friends and their neighbours. People who in many cases had lost just about everything were able to get in there and help those who were even less fortunate.

The long-term economic effect of Cyclone Larry is going to be very substantial. We hope that people are able to repair their financial fortunes, their businesses and their homes as quickly as possible. I was also pleased to hear that the bankers in Australia appear to be assisting people in the area, as are insurers. It is a time for action. It is a time for cooperation. It is a time for working together. I am proud as an Australian to see that all of those things seem to be happening at this time.

Of course, when one does have a cyclone like Larry, there is a need for immediate short-term assistance. All of those services were available and were carried out in a very admirable way. I would just like to add my compliments to the statements made by other members in this debate praising all of the emergency services and people generally for the way they cooperated in bringing about immediate relief to those people who so needed it.

There will be a long-term reconstruction effort that—by definition—will take somewhat longer to occur, but it really is important that as many people as possible are able to continue to live in that area, because many people have been there for generations. If we are able to create a situation where their lives are able to be rebuilt and as much as possible restored, those certainly would be steps in the right direction.

The Prime Minister in the parliament earlier this week, I think, said that assistance for a disaster like this is a work in progress and that what the government does is to look at immediate needs and, as time goes on and other needs manifest themselves, governments respond positively. I am quite confident that both the Australian and Queensland governments will continue to do this.

The people of Far North Queensland were expecting to have this sort of natural disaster happen on occasion, but nobody either expected or deserved a category 5 cyclone. Apparently, because it was travelling at a certain speed, it created damage of a different nature from the damage so often created by other cyclones. In fact, I gather that there were communities devastated by Cyclone Larry which had not felt the impact of cyclones in the past.

Cyclone Larry has literally ripped a great proportion of life out of North Queensland, the North Queensland town of Innisfail and other towns in that area. It is a testament to the courage and determination of North Queenslanders that the rebuilding effort and the clean-up are so effective.

I realise that it is very easy for us to stand in the parliament and utter words of support. Those words of support might make people feel better momentarily but they do not deliver the services that are required. But I believe that governments, community organisations, the military forces and ordinary citizens are working well in a great cooperative effort to bring life back to normal as soon as possible so that people are able to get on with their everyday lives.

I stand in the parliament today to salute the efforts and the courage of the people of North Queensland and to salute the efforts of all of those at government, non-government and community levels who have been working so hard to redress the appalling devastation and dam-

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age that has occurred as a result of the recent descent of Cyclone Larry in Far North Queensland. I commend the motion to the House.

Mr WINDSOR (New England) (11.06 am)—I listened with interest to the member for Fisher and I agree with him: on occasions such as these people, irrespective of their political or other backgrounds, tend to unite. He made some very pertinent points. It was an interesting moment in this chamber when there was unanimity of purpose for not only Cyclone Larry but also the future of the member for Kooyong. It was interesting to see Liberal, Labor and Independent members recognising his contribution to this parliament and I do so myself.

I concur with the member for Fisher when he said that people with real skills—like General Cosgrove, whose skills can be utilised in other capacities—should not be cast out to pasture, as tends to happen in the military from time to time. I concur also with the member for Kooyong that it is not time for him to be cast out to pasture. I wish him well in the next few weeks.

Cyclone Larry has been very much in the news of late. It has been a great tragedy but, very fortunately, there has been no loss of life. I compliment, as others have done, many of the major players that have been involved—obviously the Queensland Premier, Prime Minister Howard and, particularly, local members: my Independent colleague the member for Kennedy, Bob Katter, and also the member for Leichhardt. I am told that they have put in a sterling effort in dealing with the issues on the ground and with their constituents, as local members should.

There has been a concerted effort in this matter. This has been highlighted by the appointment of General Cosgrove to this position who is highly regarded by all Australians. Even though there will be difficulties, probably some degree of social unrest from time to time and frustration as to the speed of recovery, I am sure that the presence of someone of General Cosgrove’s stature and the willingness of the state and Commonwealth parliaments and the Australian community to assist—as Australians do—will enable the community of North Queensland to weather the future storm.

There are a couple of things I would like to say with respect to this issue. In question time the other day the member for Kennedy asked the Prime Minister about the use of Newstart. This is an issue that I raised some time ago—I may well even have been a state member of parliament—when there were severe floods in the Liverpool Plains area of northern New South Wales. There was a concerted effort not only to make Newstart available to people who were out of work but, in some cases, to transfer Newstart payments into small businesses so that business that could otherwise not afford to retain their employees could do so and the employees could do something required by the businesses, thereby maintaining the integrity of the workforce in that area during the reconstruction period.

For some reason the government seems to be reluctant to look at this issue. It would not cost the taxpayer any more than the current system and it has the added benefits of preserving the status of employment and fulfilling the need for people to help in the reconstruction period, particularly but not only in the farming areas. It would help to maintain the number of people within an area so that, when that area once again became prosperous, there would be people there who love that part of Australia and have the skills necessary to engage in new activities. I would encourage the Prime Minister to revisit the issue raised by the member for Kennedy.
I particularly congratulate the member for Kennedy, who is now back in his electorate. He attended parliament for only one day this week to highlight some of the issues of concern. He is now working with his people on the ground. I am sure all of us wish him and his constituents well in the coming months.

I was a bit amazed by what I read in an article written some days ago by Sydney journalist Miranda Devine. The article took a condescending view of North Queenslanders, who were obviously frustrated and upset about what had occurred and where their futures lay. It displayed the typical anticountry media view held by some people who live in coffee shops. Those people probably do not know about country living and country people and the disasters that occur from time to time. I ask them to breathe in before criticising the people in North Queensland. If your house had been blown down the day before, you would not be acting rationally, you would be traumatised. And statements made in the heat of the moment should not be made into major events by the national media and in such a condescending fashion, denigrating those people for being ungrateful for the assistance that they are getting and are about to receive.

If someone took the time to look back over Miranda Devine’s journalistic career, I am sure they would find that she made some very sympathetic statements about the impact of the recent tsunami on the Asian region in which it occurred. Some of these people use logic that would suggest that North Queenslanders should not live there because they might get a cyclone every 100 years. One could use the same logic with the tsunami victims—that they should not live on the coast because a deep sea earthquake may occur from time to time—but I do not agree with that logic. I am sure people like Miranda Devine will not agree with that logic if global warming takes place and some of the coffee shops near Sydney’s beaches suddenly become submerged.

I want to raise another issue. I have raised it for many years now and also from time to time in this parliament. Again, we are faced with a natural disaster, and obviously these sorts of things get mentioned at such times. In my view—and I think in the view of many—there is a need to put in place a national natural disaster fund. We have spent a lot of time in recent years talking about the various disasters that have occurred—the worst drought in 100 years, the tsunami overseas, the hailstorm in Sydney, the mudslide in Wollongong some years ago, a major flood in Coffs Harbour, Cyclone Tracy, the Newcastle earthquake and many others. Australia, like many nations, is prone to extremes of climatic variation, but in the political process we tend to react to disasters in different ways depending on where they are, where they fall in the political cycle or whether the surplus is up or down in the budgetary cycle. We do not have a particular approach to a lot of these disasters. I do not mean the emergency services people—they respond incredibly well—but I do not think we have in place an adequate structure to move in and assist the people who are facing a disaster.

I saw Premier Beattie and many within the media appealing to the business community to show some largesse towards the victims of Cyclone Larry. The point I would like to make on this issue is that there are other ways of achieving this outcome, particularly in terms of the insurance industry and the way it impacts on Australia at the moment. In brief, $1 a week from every Australian raises $1 billion in a year. Since 1974 we have had one disaster in Australia that has cost more than $1 billion in a year, and that was the Newcastle earthquake. I suggest that it is time to remove the politics from drought, flood, fire and cyclones, and irre-
perspective of where people live—whether it is in Sydney and there is a major disaster like a hailstorm—there should be immediate relief available from a properly constructed fund.

There are other ways of constructing that fund. It might be $2 a week from each Australian taxpayer. We talk about tax reform, tax refunds, tax this and tax that, but instead of having another coffee each week I am sure everybody would give a little to assist people who suffer the impact of disasters like Cyclone Tracy, Cyclone Larry, the Canberra bushfires or the Wollongong mudslide—where there is a disaster that suddenly occurs and people are impacted upon. I remember the politics that were associated with the Wollongong mudslide during that particular period when people could not gain assistance and went through great trauma to gain assistance. I am aware that another member needs a little time to speak, so I will finish my speech here.

Ms ANNETTE ELLIS (Canberra) (11.18 am)—I will be very brief. I want to take the opportunity on behalf of my community in the electorate of Canberra to make a couple of comments. First of all, on behalf of my community I want to send to the victims of Cyclone Larry in North Queensland our very best wishes and our commiserations for the trauma that they are finding themselves in. My community knows as well as any what it is like when a trauma of this kind occurs, given that it is just over three years ago that we had the extreme bushfire emergency here in Canberra.

I know that the members for Leichhardt and Kennedy and the senators who live in that part of the country will have a lot of work in their communities in the weeks and months to come. I know from my experience in dealing with the issues of the bushfire emergency here that you are never quite sure at any particular point just exactly what is going to come up. There will be a lot of very difficult decisions to be made. A lot of people will face social dislodgment, unemployment, great trauma within their families, homelessness and the whole business of whether or not to rebuild and whether or not to return to their homes and villages. In this case, they will have to consider whether they can afford to return to their townships in the north and what will happen economically in the meantime. So there is going to be a great deal of heartache and a lot of hard work.

I speak very confidently on behalf of all the people in my electorate and in the ACT in sending our very heartfelt wishes to all the people in the area affected by Cyclone Larry. I commend the appointment of Mr Cosgrove to his current position. I also commend the appointment of Sandy Hollway, who will be working with Mr Cosgrove. Sandy Hollway played a very important role in Canberra in heading up the Bushfire Recovery Taskforce. I know from that experience that the people of Northern Queensland can be very confident in the abilities of the duo who will lead the work that will be undertaken.

I reiterate that our thoughts are with those people. We know what they are going through. We have a very good idea of what they are going to be facing. We wish them all the very best. I suggest to people in our communities that we should give all the support that we possibly can to these people, in whatever way we can—not least by leaving them alone so that they can get on with their recovery, and by being there to support them in the best way we can when they need that support.

Mr GEORGIOU (Kooyong) (11.21 am)—I move:

That the debate be adjourned.
Question agreed to.

ADJOURNMENT

Mr GEORGIOU (Kooyong) (11.21 am)—I move:
That the Main Committee do now adjourn.

Civil Unions

Mr McMULLAN (Fraser) (11.21 am)—It was my intention to speak today in the adjournment debate on the issue of discrimination against same-sex couples, based on the experience of a couple in my electorate who also happen to be friends of mine. I hope still to get the opportunity to do that, but I want to speak today about my sense of outrage, as a member of the Australian parliament, as a citizen of Canberra and as an Australian, on hearing that the Attorney-General, Mr Ruddock, is contemplating overriding the ACT civil unions legislation.

The first thing I want to say, before I go to the detail, is that the key question everybody in Canberra will be asking is: what is Senator Humphries going to do about this outrageous, high-handed, arrogant, offensive proposal by the Attorney-General? It will require legislation for the Commonwealth to override the ACT measure, and I want to know whether Senator Humphries will vote for that legislation. It is fundamental to the interests of the ACT and to the many citizens who are constituents of his, mine, the member for Canberra and Senator Lundy, that he clearly indicates now that he will vote against any legislation that will override this measure.

I am outraged on the question of the undermining of the rights of the ACT government to make decisions like this. I accept without qualification the constitutional situation—that the Commonwealth has power to make laws for the governance of the Territory, and that it can make laws about this matter as well. But this is not an issue on which I believe that power should be exercised. I do not want to hide behind that constitutional nicety or territory rights, because I am not a great states rights person. I want to say unequivocally that I support the civil unions legislation. I welcome the fact that the ACT government has introduced it. I am delighted that it is going to be passed through the assembly, and I hope that we can find a way for the legislation to be effected in the ACT, notwithstanding the outrageous and offensive objections of the Attorney-General.

It is very hard to actually make sense of what the Attorney-General’s concern is. It is particularly hard for the Chief Minister to make sense of it, because he still has not received the letter, a copy of which the Attorney-General has given to the Canberra Times. It appeared on the front page of the Canberra Times, and the Chief Minister knows about it because the Canberra Times gave him a copy of the letter that had been given to them by the Attorney-General. But the Chief Minister has not received it yet. How arrogant, high handed and darned incompetent can you get. It is no wonder the immigration portfolio was left in such a mess by this arrogant, high-handed, incompetent individual.

The Attorney-General is saying that in some way the ACT government is saying that civil unions are the equivalent of marriages. Let me quote from the second reading speech by the Chief Minister:

A civil union is not marriage but will be treated in the same way as marriage ... It will give couples functional equality under ACT law with married couples but does not replace or duplicate marriage.
It is different. If the Attorney-General’s only concern is that civil celebrants are going to be used to perform these civil union ceremonies, that is a ridiculous, narrow-minded concern, but one that is easily overcome. The Chief Minister simply has to duplicate the process by setting up an ACT register of civil union celebrants. That would be very simple. I have not discussed it with the Chief Minister, but it is obvious that he would be prepared to do that to achieve the bigger purpose.

I will come back on another occasion to speak about the outrageous, ongoing federal discrimination against gay couples. Everything where the recognition of the relationship would work to their advantage is not recognised. Where it works to their disadvantage, it is recognised. I will have something to say about that on another occasion. Today I just want to say—on behalf of not just all the gay and lesbian couples in my electorate but all the people that I represent—that this is arrogant, high-handed, offensive behaviour by the Attorney-General. I hope Senator Humphries does not support it. I hope the parliament does not support it. I hope it never happens. I support the civil union legislation and I hope that it can have effect as soon as possible.

Civil Unions

Ms ANNETTE ELLIS (Canberra) (11.26 am)—I also want to speak on the issue of the ACT civil union legislation. It is my pleasure to completely endorse the words of the member for Fraser, who just spoke on this matter. The ACT government is a democratically elected government. In its work, it has made a decision—a decision I happen to agree with wholeheartedly—to introduce the ACT civil union bill allowing civil unions to occur between people of the same sex within the ACT. We now know that Mr Ruddock has made a public declaration that he is completely against this and will use his powers to override the ACT government’s decision and if necessary legislate to change it so that any law passed by the ACT will be overridden by Mr Ruddock’s proposed legislation in this place.

I am outraged for two reasons. First, I am outraged because it is a democratically elected government in this Territory and should be allowed to govern in its own right for the people. The people in the ACT make the decision as to whether governments stand or fall within their own territory. Secondly, on the issue itself—the issue of the ACT civil union bill—I happen to also support that, and I endorse entirely the remarks made just a moment ago by the member for Fraser.

The member for Fraser has brought up a very interesting question, and I think it is the most vital question in this debate: what role will Senator Humphries play in this debate within the parliament? Senator Humphries is the government senator in the ACT. We all understand very clearly the balance of power in the Senate. It is incumbent upon Senator Humphries to make his decision known now. We in Canberra need to know right now what his view is in relation to this issue and what his decision will be—how he will vote in the Senate—should Mr Ruddock go ahead with this mad idea of bringing in legislation to override a law-making process within the ACT.

This is not the first time that I have had to stand up in this parliament and comment on the fact that the ACT government is sometimes affected by rules and laws made by this place. The government cannot do it here if it is a state, but it can if it is a territory. I repeat my remarks. The ACT people have had self-government since 1989. There is a current government in place—a majority government, for the first time in the ACT—duly elected by the people of
this territory. The ACT government acts accordingly. It has made a decision to bring in this legislation—the civil union bill. It is something that I believe will be very popular within this community but something that the ACT government itself should stand or fall on. I happen to agree with it, and I am very pleased to think that the Chief Minister has had the foresight to bring this piece of legislation before the ACT Assembly.

As I said, Senator Humphries is the man who really should be coming out today and stating very clearly what his position is in relation to this particular debate. I vehemently disagree with Mr Ruddock’s action. I do not understand the logic of it other than that he does not like what they are doing so he is going to stamp on it. But that is not a very good reason for doing something. At the end of the day the ACT people should have their views known and have the ability to carry out their decision-making process unfettered. I disagree very strongly. I find it arrogant beyond belief that Mr Ruddock is going to choose to go down this path. He stands absolutely condemned for that, in my view. Senator Humphries, come out and tell us what you are planning to do. Do not dilly-dally around for the next few weeks. I think the community needs to know right now what your intention is. As far as I am concerned, I will be doing all I can to support democracy within the ACT and to ensure that they are allowed to govern in their own right and represent their own community into the future.

Ms Nell Dolphin

Mr BROADBENT (McMillan) (11.30 am)—I had the pleasure recently to be at Wonthaggi for Nell Dolphin’s 100th birthday. Why is Nell Dolphin so important? A 100th birthday is a treasured time for a family. I was there not only as the federal member but, more importantly, as a friend of the family. My mother and Nell Dolphin were good mates. Nell Dolphin has a very special story to tell. She was asked by her pursuing suitor at the age of 25 to marry him. She waited a while. She ran off and married him when she was 70—the same man.

She was the proprietor of the Corinella store when I got to know her. Corinella was a very small hamlet on the edge of Westernport Bay that had just the general store and nothing else, and very few residents. It had so few residents that Nell only ever had one or two people working for her. You would know about that, Mr Deputy Speaker Adams: in Tasmania there would be areas like that today, as there are in some parts of Gippsland. Specially, every now and then the ferry would leave Cowes and come to the Corinella Pier, and 120 people would get off the boat and come to Nell’s store for an ice-cream, lollies, a cake or whatever. It was a cup of tea in those days, probably. The local community would all rush down to Nell’s store to serve behind the counter, to serve the 120 people.

Nell today is in a nursing home, but she was well enough to hear the whole of my address the other day. She was surrounded by her family members. Nell did not have any children herself, of course, but her sister did, and the representatives of the family were there. There were two people at the function who actually worked in the Corinella store with Nell. There were more than 150 people gathered for the 100th birthday afternoon tea.

Nell Dolphin not only is a friend of Corinella but has spent a long time in Green Hills. She has written her own book about her life. Not many people do that. In her corner store—I call it a corner store because my grandfather owned a corner store—they did not have electricity until 1956. Imagine what it was like to be running a business in those days using dry ice and ice to keep cool what you needed to keep cool. We live in a generation that does not remem-
ber all this, although I do remember the ice van coming to Lang Lang foreshore—which is just down from Corinella—when we were young children camping there.

Nell’s 100th birthday was significant because it reminded us of an era that was totally different to that in which we live today. There are parts of Australia, of course, that are remote. Imagine how remote Corinella was in those days. This woman, Nell Dolphin, was able to run that business for more than 50 years. She had a legacy of friends that came from all over Gippsland for this very special 100th birthday. In her time, it went from draft horses to Fergie tractors. It went from milking cows by hand to electricity, which came eventually to Gippsland but not to Corinella until after 1956, when Nell had the first refrigerator in her store.

Nell’s relations today run a very special nursery, located just past Pakenham in Gippsland. It was terrific that the four generations of her family were there for her 100th birthday. I say: Nell Dolphin, what a wonderful 100th birthday. The first thing she did on seeing me was to ask, ‘Russell, would you thank the wonderful carers I have here in Wonthaggi?’ Her first thoughts were for those who were looking after her. Once again I say: Nell Dolphin, an amazing Australian resident.

**Casey Electorate: Lead On Mount Evelyn Youth Enterprise Shed**

*Mr ANTHONY SMITH* (Casey) (11.36 am)—Last Friday I had the pleasure of attending and speaking at the official opening of the refurbished Youth Enterprise Shed in Mount Evelyn in the Casey electorate. The Lead On Mount Evelyn Youth Enterprise Shed project was initiated by Morrison House in conjunction with the Mount Evelyn branch of the Bendigo Bank, the Shire of Yarra Ranges and Adult Community and Further Education. It was a real community partnership. Morrison House, through its chief executive, the very hardworking and capable Jan Simmons, is a very focused community group. It has developed into an adult learning centre which helps many people throughout the Mount Evelyn community and the wider Casey electorate. It offers the local community a diverse range of courses that enable personal development and career building. It obviously saw a great opportunity and a great need to work together with the community groups within the Mount Evelyn area to develop a youth equivalent and a focal point for youth in the Mount Evelyn township.

The shed, which has been refurbished, will host the Lead On development project that has operated successfully in other parts of Victoria. This project offers young people opportunities to participate in work experience, training and leadership development activities; make a significant contribution to their local community and the community as a whole; assist in the building of new relationships within the community—which has so many benefits; provide future career opportunities and focus; as well as, most importantly, build the confidence and the sense of camaraderie within that community and particularly within its youth. The project is the design very much of the community itself. Their first initiative will be to create a youth newspaper, which they will fully design and produce themselves, specifically reporting on youth issues in the Mount Evelyn area.

This very worthwhile activity is possible because of community partnerships and a government contribution. For the government’s part, we contributed some $27,000 through the Regional Partnerships program. Financial commitments also came from the Shire of Yarra Ranges, the Bendigo Bank and some other key partners. This is a highly successful program. The reason for that, which is often not understood in circles beyond the community and around Australia, is that the Regional Partnerships program provides much needed funding.
However, it does much more than that. It provides funding to groups who themselves determine their priorities and exactly how particular projects will run. It does not say from Canberra, ‘Here is how your community project will be run,’ and it does not try to manage it from afar. Instead it recognises fundamentally that the expertise and the initiative are in the local community, which lends a helping hand. This has helped to make this very worthwhile project take off in Mount Evelyn, and it is a project that will make a major contribution to the Mount Evelyn community.

Specific thanks need to go to the staff at the area consultative committee, but I particularly want to thank those people in the Mount Evelyn community who have worked so hard to bring this to fruition. I have mentioned Jan Simmons already. I want to make mention of Chris DeAraugo. He is the CEO of the Lead On project I spoke of earlier. I want to mention Phil Stenhouse, the irrepressible manager of the project who the youth of Mount Evelyn enjoy working with so much. I also want to make particular mention of Bree Tucker, one of the participants, who spoke so well at the opening and who will be part of the project. Finally, I want to mention Paul Moxham, who officially cut the ribbon to declare open the youth enterprise shed last Friday.

Workplace Relations

Mrs IRWIN (Fowler) (11.41 am)—Monday marked a dark day in Australian history. I am of course not referring to the visit by Tony Blair to our parliament but to the beginning of a new industrial relations regime that will see Australian workers and their families worse off. We have a task as parents, as parliamentarians, and that is to leave a society for the generations to come that has been enhanced and not diminished. This government has failed in this most fundamental of tasks, with 1,200 pages of legislation and explanatory memorandum, plus an extra 400 pages of regulations that were snuck out the day after South Australia and Tasmania went to the polls and under the cloak of the Commonwealth Games. They were snuck out so that there could be no real scrutiny by the people whom it affects most.

We should not be surprised. This gutless government refused to take their plans to the people at the last election. There was no mention of this extreme industrial relations agenda during their campaign. They were too busy lying about interest rates to even have the ‘decency’ to lie about industrial relations. No worker will be worse off; there will never, ever be a GST; children were thrown overboard; AWB is a fine, upstanding company—and pigs fly backwards at noon.

The people I represent in the Fowler electorate are among the most vulnerable in the country when it comes to exploitation in the workplace. Already there is a reliance on low-paid, low-skilled jobs, and attacking their conditions is simply another insult they should not have to bear. Already this group is open to exploitation more than most and the government has just legalised exploitation in a way that has not been seen since 12-year-olds were sent down the mines for 14 hours a day. Take what is offered or take a hike—that is the message, and the full weight of the law is behind an employer who wishes to cut the wages and conditions of their employees.

One of the most insidious aspects of this legislation is the fear and silence that it will engender in the people who most need to be able to speak out. There will be a few high-profile cases that the media will focus on of people being exploited, ripped off or sacked unfairly by unscrupulous employers, but what of those too scared to speak out? Regardless of what the
Prime Minister tells us about unlawful dismissal, if an employee speaks out against the treatment they are getting then they live in fear of the sack. How many thousands of cases will go unnoticed and unreported because the worker involved is simply too scared to speak out for fear of losing his or her job? Fear and silence are deadly to a society. We have seen it all too often in domestic violence cases or child abuse cases, where the victim will not speak out for fear of retribution. What happens to those people?

And it is not over. Senator Nick Minchin let the cat out of the bag to the HR Nicholls Society when he said that the government were far from finished in their program for the punishment of the Australian workforce. The Prime Minister may have tried to stuff the cat back in the bag, but when you look at the departmental document obtained under the Freedom of Information Act and see huge swatches of black covering the detail under the heading of ‘Unfinished business’, you know that the cat is out to stay. Minister Andrews himself can point to absolutely no short-term gain. His estimate is three to five years before any of the vague benefits he claims will begin to be realised. Why then do this?

This is the 21st century and this policy will not take our nation forward. Backward looking, insular, reactionary and wrong—it sums up the Prime Minister, this legislation and the government as a whole. I urge everybody who is adversely affected by this legislation to come forward. I know it will be difficult. I know there may be severe consequences, but if we are to put an end to the cycle of fear and silence, then it is what must be done. Your employer may be against you, this government may be against you, but you are not alone. There are those of us within this parliament that are on your side and together we can redress the imbalance and return our nation to sanity. It is so true—the Prime Minister’s dream has definitely become the workers’ nightmare.

Wandin North Primary School

Mr ANTHONY SMITH (Casey) (11.46 am)—All members of the House of Representatives will know how important local school communities are, particularly local primary schools. They very much become the hub of a local community area. The success of these schools depends on not only the great teachers that are there but also the dedication of parents’ groups and the efforts that so many parents put into those schools. Right across the Casey electorate I see that dedication from parents’ groups and that wonderful community contribution that is made at local primary schools to ensure that the students— their sons and daughters—have the very best opportunities available to them. I see that right across the more than 40 schools in the Casey electorate.

One of the schools that has a great history and a wonderful community strength about it is the Wandin North Primary School, which is in the rural part of the Casey electorate in Wandin. It is an old school with a lot of history. It is a small school but it is a school that most people in the Wandin community have a very strong link with. It would be difficult to talk to anyone who lives in the Wandin North area and has done so for a long time who had not been to that school as a student. The history of that school very much replicates the growth and the history of Wandin North generally.

So you can imagine the despair and disappointment when the historic part of the school burned down a few weeks ago. It burned down on the weekend just at the beginning of school holidays. The students were obviously very upset, but the whole Wandin community, for the reasons I have explained, are upset. There were more than 80 years of memories in that
school. Thankfully, most of the school classrooms survived, but the historic, original part of
the school was lost entirely, as were many of the historic memorabilia in the school.

It is no surprise that, with this setback, the community, as always, has banded together to
rebuild under the leadership of the principal, Hetty Thomas, who I want to commend here in
this Main Committee for her great dedication—she worked day and night through the school
holiday period to ensure first and foremost the school was up and running for when the kids
came back—and for her pastoral explanation of this terrible thing to the students themselves. I
also want to make mention of the many volunteers from the local community who came on
the day after the fire to offer their support and to start planning for the rebuilding in the future.

Obviously I want to see the state government not just replace the buildings but do so in a
sensitive way that reflects the history of that area, and I place that on the record. I will be do-
ing all I can to ensure that the state government does do that. From a federal perspective, as
well, we will be looking at every avenue we have. I have no doubt that this event, terrible as it
is, will act to bind the community together in an even stronger way and that we will see the
Wandin North Primary School back up and running in the future.

To the CFA members who fought the fire, a special thank you. It was a difficult time. Many
of them were former students of the school. They had grown up and were educated there, but
they did a great job of ensuring that the fire was contained and that the whole school was not
lost. I also make mention of the Wandin Rotary, who are also heavily involved in the commu-
nity.

Ms Edmonds

Mr GEORGANAS (Hindmarsh) (11.51 am)—I rise today to put to members an example
of a tremendous Australian who has suffered and survived cancer of the jaw. This person’s
experience also demonstrates what treatment people can receive at the hands of our health
system in terms of Medicare, private health insurance and complementary systems. Marta
Edmonds has survived cancer through various surgical procedures, including the removal and
replacement of a part of her jaw bone and teeth. The replacement jaw bone was taken from
her hip. Such operations, including affixing teeth and bringing Marta back to the point of
normal jaw usage, are something I find almost miraculous.

Operations to reconstruct Marta’s face and mouth are ongoing. Radiotherapy has caused
those teeth not removed in surgery to require replacement by implants as part of the recon-
struction process. Initial treatment in mid-1999 at the Royal Adelaide Hospital was covered
by Medicare and her private medical insurance. Subsequent and ongoing treatment through
Craniofacial Australia, however, needed to be covered by Marta herself. This work included
orthodontic work, dental implants and other care. Costs incurred by Marta for dental work for
the financial years of 2001-02 onwards are in the order of $4,000, $1,000, $10,000 and, again,
$10,000 respectively. GP, surgery and other costs are in addition to these amounts that I have
just mentioned. Through this period, Marta and her GP and dentist have sought assistance
from Medicare, but each approach has been unsuccessful.

I wrote to the Minister for Health and Ageing and received a response from the Parliamen-
tary Secretary to the Minister for Health and Ageing advising me that Medicare does provide
assistance to people undergoing reconstructive procedures performed by approved dental sur-
geons. He also informed me that some allied health services, including some dental services,
are covered. Additionally, an item exists to support access for patients with a chronic or complex condition and significant dental problems which are related to the illness and increase the risk of it becoming more serious, according to the parliamentary secretary’s letter. However, both Marta’s doctor and dentist have been unable to access any support from Medicare for Marta’s ongoing cancer condition—that is, the reconstructive surgery that is required to restore her to pre-cancer health. This is something that I find perplexing at best, and an absolute horror for those in such situations at worst.

I suggest this to be a perfect case for the engagement of a Commonwealth dental scheme. I have spoken about this on many occasions, but clearly there is a need for additional dental assistance for people, whether they be people who are on Centrelink benefits, people who are below the poverty line, people who are in need of emergency treatment or people such as Marta who have a need that could neither be clearer nor be regarded as anything but absolutely necessary. If Medicare can help people through the destruction or surgical removal of cancer—treatment that itself can turn a person’s teeth to dust—and if Medicare cannot currently help that person with remedial work then what greater use could there be for a Commonwealth dental scheme? I implore the minister and the parliamentary secretary to the minister to consider the plight of Marta and those in similar need, abandon the absurd argument that dental services are not listed in section 51 of the Constitution, and provide assistance, through any scheme they like, to improve such people’s dental—that is, health—prospects.

I hope that the real situation regarding access to Medicare assistance is better than I have represented here. All accounts suggest that it is not. I hope that, with the assistance of the Minister for Health and Ageing, the Parliamentary Secretary to the Minister for Health and Ageing and their department, we as a nation can find a way of providing more help to people in Marta’s situation.

Marta is still undergoing reconstructive procedures, including teeth implants. I understand that such treatment will be ongoing for some time to come. Yet, throughout this experience, she has been able to continue to work as a project manager for a management services company and has even contributed as a volunteer to the Cancer Council of South Australia and the Friends of the Cranio-Maxillo Facial Foundation. As seen in her life with her husband, friends and work colleagues, Marta has certainly beaten cancer. She is one of the greatest examples I have encountered of perseverance in the face of shocking and ongoing adversity. I hope that we as a nation can find a way of providing her with the assistance to which she should be unreservedly entitled.

Fisher Electorate: Sixth Annual Seniors Forum

The DEPUTY SPEAKER (Hon. BC Scott)—I call the honourable member for Fisher.

Government members—Hear, hear!

Mr Johnson—A great Queenslander!

Mr SLIPPER (Fisher) (11.56 am)—I thank my colleagues for their fulsome support—particularly the remark made by my friend the member for Ryan. In Australia it is important to recognise that, as we have a declining birth rate and ageing population, wherever possible we ought to encourage older Australians to continue to play—as they now do—an important role in making sure that Australia continues to have the freedom, stability and way of life that we have as a nation and that has made us the envy of people throughout the world.

MAIN COMMITTEE
The Sunshine Coast is one of the oldest areas in Australia. People retire from around the country to join our Sunshine Coast community—including, I suspect, many farmers from your own electorate of Maranoa, Mr Deputy Speaker Scott. Those people come to the Sunshine Coast, where they become actively involved in their local community. But, as the years roll on, they have increasing health challenges. As the member for Fisher, I therefore felt that it was necessary for me to get advice from the seniors community so that I am better able to represent their views in the Australian parliament.

In the year 2000, I set up the Fisher Seniors Council, which is a peak body with representatives from various seniors groups throughout the electorate. I am the notional chairman. The deputy chairman was Mrs Maureen Kingston AM, a former national president of the Association of Independent Retirees. Mrs Kingston has stood down from that position and Mrs Margaret Donaldson is the current deputy chairman, effectively the chairman of the body.

This year, on 19 May, at the Kawana Island community centre, we are having the sixth annual Fisher Seniors Forum. This is being held in conjunction with the Fisher Seniors Council. Each year we have held a seniors forum on some aspect of ageing. We try to make these events happy and interesting. We get experts who are able to impart information of value to the many hundreds of participants who each year choose to attend the annual Fisher Seniors Forum and expo.

This year the topic will be productive ageing. We will have a number of renowned and highly regarded experts who will be able to share their knowledge with members of the Fisher seniors community. Sometimes we have held a Geoffrey Robertson style hypothetical where we get experts from various government and non-government organisations who give advice to a hypothetical constituent going through certain traumas as a result of advancing years and failing health. This year we expect to have a range of people who are highly qualified in their respective areas, including medical practitioners, financial planners, lawyers and others, to give their views on the topic of productive ageing.

These forums have proven very popular, and we find that many people come to them year after year. We have held these forums in different parts of the electorate of Fisher to try to make sure that those people who are not as mobile as they once were are able to at least get to some of the forums. We have held forums at the Kawana community centre and also at various venues in Caloundra. We are having a new venue, the Kawana Island community centre, on this occasion. It is situated in Sportsman’s Parade, Kawana.

We find the forums are a two-way opportunity for people to share their experiences and also obtain innovative solutions. At the early forums I was amazed at the level of assistance that we actually had in our community for people who were confronting various challenges, whether they be of a legal, health or economic nature. It is important that as a community we recognise the value of productive ageing. It is important that we recognise what an important role retired Australians have played in making Australia the wonderful country that it is, and it is absolutely vital that we continue to have support services to assist these people to whom we owe so much.

**Homelessness**

Ms OWENS (Parramatta) (12.01 pm)—People in my electorate who work with the homeless have been telling me for some time anecdotally that the number of people, particularly
women and children, using their services is increasing. A recent report by the Council of Social Service of New South Wales, known as NCOSS, has confirmed that Parramatta is now the biggest centre for the homeless outside the Sydney CBD, with over 550 people sleeping rough in Parramatta each night. The community of Parramatta represents a microcosm of the largely ignored critical problem of homelessness in our wider Australian community. On the one hand it is a thriving business district; on the other hand there are people who, despite their best efforts, have fallen through the cracks for various reasons such as unemployment, mental illness and family violence.

The statistics on homelessness both locally and nationally are alarming. Of particular concern in my area is the growth in the number of homeless children. In the past we have been relying on the 2001 census for data on homelessness. However, the NGO submission to the UN Committee on the Rights of the Child recently revealed that there has been a significant increase since 2001, particularly in the number of children using SAAP services. In 2002-03, 53,000 children who were accompanied by a parent entered a SAAP service and 88 per cent of them were under the age of 12. Two years later in 2004-05, the number of children in that category rose to 56,800. There is also an additional 11,000, aged between 15 and 17, seeking services without their parents. Those figures are believed to be underestimated as they only consider those approaching official services.

In a 2004 report, a Melbourne based welfare organisation, Hanover welfare services, put the figure at 90,000 Australian children experiencing homelessness each year. Nearly half of those children are under the age of four, and 43 per cent are of primary school age. A recent report by the Australian Institute of Health and Welfare found that two in every three homeless children are turned away from supported accommodation each night—that is, two out of three of those 90,000 children turned away each night. These alarm bells are clear calls for the federal government to take action and redress its past and present neglect of homeless people.

Fortunately, there are some people and groups in our community who are working tirelessly to help the homeless. At this point I want to acknowledge and commend the contribution of the Reverend Brian Smith for his past work at Parramatta Mission and in our local community. He has recently left the mission to take up other work. He is sorely missed. His extraordinary contribution, through his hard work and his outstanding leadership, has significantly improved services for the most neglected people living in our community, particularly those who are living with mental illness and are homeless as a result. Brian and the people who run Parramatta Mission provide holistic support for homeless people, including washing, shower, medical and legal services. The magnitude of the important services which Parramatta Mission provide should not be underestimated. Each year they serve 26,000 meals at Meals Plus, successfully refer more than 300 clients for accommodation support and counselling, find accommodation for 162 people each night and support 300 women and children through crisis each year with the Thelma Brown cottage program.

The Howard government, however, is making their job harder with the reduction of homeless program funding in 2005-06 by nine per cent, which is only compounded by the loss of income which many of these people will experience under the new welfare rules being implemented from 1 July this year. Reports from Meals Plus, for example, already state that there is an increasing number of people who are not homeless who are going to Meals Plus in order to be able to use their money to pay the rent. In other words, they are coming in for free meals...
food because they only have enough money for rent—they cannot afford to feed themselves as well. It is hard to see how reducing payments to sole parents and people on disabilities, particularly people with mental illness, will make this situation better. It is hard to imagine that it will do anything other than make the situation worse. Fortunately, we have fabulous organisations working locally, but, without substantial increases in funding to cope with increased demands due to the punitive welfare changes of the Howard government, their job is going to become more and more impossible as each day goes by. The figures are appalling, and it is about time the government (1) stopped making it worse and (2) did more about it.

Health Legislation Amendment (Pharmacy Location Arrangements) Bill 2006

Mr NEVILLE (Hinkler) (12.06 pm)—The recently passed Health Legislation Amendment (Pharmacy Location Arrangements) Bill 2006 ensures that all Australians, particularly those located in rural and remote areas, have reasonable access to the supply of pharmaceutical benefits. One area of particular interest to me is the extended operation of pharmacy location rules and the health minister’s discretionary powers to locate pharmacies in areas of high unmet demand for PBS drugs. This will help communities that do not have reasonable access to PBS subsidised medicines because of unique circumstances. Our ageing population means that local chemists are taking more responsibility for and a more diversified role in health care in cities and towns.

A division having been called in the House of Representatives—

Sitting suspended from 12.07 pm to 12.18 p.m.

Mr NEVILLE—These rules give the minister flexibility to allow the relocation of additional pharmacies to one-pharmacy rural towns and the relocation of an additional pharmacy to one-pharmacy high-growth areas in urban developments, without regard to the usual distance criteria. This could be of great benefit to regional centres such as Bundaberg, which is a case in point. But let me say by way of preface to the rest of my remarks that I am not suggesting a laissez-faire approach where everyone can go and reopen a pharmacy. It is not that long ago that the previous government bought out a lot of pharmacies across Australia to ensure the viability of the remaining ones.

The suburb of North Bundaberg is separated from the rest of the city by the Burnett River and can only be accessed by two roads and one railway bridge. My argument with the North Bundaberg example is that, in the event of some natural barrier dividing the community, the existing 1.5-kilometre rule should be put aside. The growing suburb currently has 4,500 residents, which in itself is not enough to demand a pharmacy in its own right. But North Bundaberg has a fairly scattered pattern of development, with different housing clusters and a flood plain between the older and newer sections of the suburb. Consequently, the ABS has spread its statistical districts for North Bundaberg over seven collection districts. Because there are fewer than 8,000 residents in any one of these statistical local areas, the community does not meet the criteria under section 60 of the existing pharmacy location rules. The North Bundaberg situation is further exacerbated by the fact that a further 12,000 people from the Burnett Shire pass through the North Bundaberg area to access all manner of services, including pharmacies, in the city itself.

As it stands, this area of approximately 16,000 people does not and cannot have a pharmacy where it is most logically required, because North Bundaberg itself, as the crow flies, is...
less than 1.5 kilometres from an existing pharmacy. Quite clearly, the ‘8,000 in one SLA’ rule can only be met in densely populated areas such as capital cities or major provincial centres and cannot possibly relate to the circumstances of a diffuse regional centre.

There is another case, too. Where you have a train line through the middle of the town, the pharmacy might be only a couple of hundred metres away but, if the level crossings are a kilometre in each direction, how do people get to it?

The third circumstance is where a town has had two pharmacies, one has closed and the town has received an upsurge in population—which has happened along the northern New South Wales and Queensland coastal strip—and the town is then deprived of someone opening a second pharmacy. I do agree, however, that the minister should have discretion so that this rule is not abused and is only used when there is clearly some need for it.

I applaud the amendment to the existing pharmacy location rules and the inclusion of this ministerial direction. I note that these discretionary powers are not retrospective and will not come into being until July onwards. To that end, I urge the potential pharmacy proprietors for North Bundaberg or any other relevant location in my electorate to consider lodging an application after that date. I would also like to thank the minister for acceding to my lobbying. I think that this is an important thing that we need to address. There are a lot of areas that should have pharmacies but do not have them because the rules have been imposed thus far without any flexibility.

Captain Alfred Dreyfus: Exhibition

Mr DANBY (Melbourne Ports) (12.22 pm)—Later this year the centenary of the final acquittal and exoneration of Captain Alfred Dreyfus, the central figure in the notorious Dreyfus affair in France, will take place. In 1894 Alfred Dreyfus, the first Jew who was admitted to the general staff of the French army, was accused of selling military secrets to Germany. He was convicted and sentenced to life in prison. In 1896 new evidence surfaced and exonerated Dreyfus, but the French military resorted to lies and forgery to uphold his conviction and what they saw as the honour of the French army. But a movement grew up to demand a new trial for Dreyfus, embracing liberals, republicans, socialists and intellectuals, including the great author Emile Zola, whose book J’accuse! led him to being sentenced to jail for criticising the French government. Finally, in 1901, Dreyfus was proven innocent after spending five years in the terrible prison on Devils Island. In December 1906 he was formally pardoned.

The Dreyfus affair has had profound consequences not just for France but for the world. Among those who were deeply shocked to see an outbreak of such prejudice in civilised, cosmopolitan Paris of the 1890s was the Austrian journalist and the founder of the Zionist movement, Theodore Herzl, who was inspired to write Der Judenstaat—The Jewish State. As Mr Justice Kirby, who made a magisterial address to the opening of the exhibition of the Dreyfus affair at the Jewish Museum in Melbourne on the weekend, said:

In a way the establishment of the state of Israel was an indirect outcome of the affront to justice of the Dreyfus affair.

At the opening of the exhibition last week, a number of original documents were on loan from the Beitler Foundation. The museum used these documents to retell the story of the Dreyfus affair in a contemporary and challenging way for a modern audience. It is open to people now and I urge people to attend. I want to note the generosity of Dr Lorraine Beitler and the Beitler
Foundation and the roles played by Helen Light, the Director of the Jewish Museum; the curator, Dr Deborah Rechter; Sandy Benjamin; Margot Joseph; and all the staff of the museum in mounting this very important exhibition in remembering this very important historical event.

The keynote speaker at the opening of the exhibition last Sunday was Justice Kirby of the High Court of Australia. As we have come to expect, he delivered an address of great eloquence, erudition, historical insight, moral force and contemporary relevance. I am happy to acknowledge the force of his arguments even though I do not agree with everything he had to say. Justice Kirby is one of the most distinguished jurists and profound thinkers this country has produced in recent decades, which makes the attack on him in this parliament a few years ago all the more despicable. Through his generosity of character in forgiving the person who made this attack, he made his moral standing all the more clear.

As I said, in his profound address 100 years after the exoneration of Dreyfus, Justice Kirby spoke with great feeling about the lessons for our time of the Dreyfus affair. As a lawyer, Michael Kirby mentioned vigilance against miscarriages of justice, hostility towards military tribunals and secret trials, and protection for whistleblowers and other people of conscience. In the sphere of politics, Justice Kirby identified the importance of the separation of religion and state and the need for institutional reforms. In fact, he said that in an important effect on France, in the aftermath of the vindication of Alfred Dreyfus’s appeal by the Criminal Chamber of the Court of Cassation, a law was enacted in the French legislature clearly establishing the separation of church and state.

Justice Kirby also pointed out that the prejudice of people who defended the so-called patriotism of the French army in the Dreyfus affair was later to flourish and spawn the extremist politicians and officials who participated in the infamous Vichy period of French history. But his most important point was both political and personal: the lessons of the Dreyfus affair for our attitudes to and treatment of stigmatised minorities. Dreyfus was a victim of anti-Semitism; Justice Kirby was a victim of homophobia—here in this parliament and under parliamentary privilege. Justice Kirby mentioned the case of Max Stewart, the Indigenous Australian man falsely accused of rape in the 1950s and acquitted after a long campaign to have his case reviewed.

In other countries, minorities and political dissidents are persecuted. I represent an electorate which has a variety of people of different backgrounds. It has one of Australia’s largest Jewish communities and a large gay and lesbian community. The two communities do not necessarily cross paths, except when people happen to belong to both. Yet they have a lot in common in that they need to be vigilant against prejudice, hatred, vilification and even personal attack. The Dreyfus affair was a sordid story but it ultimately had a happy ending. It was only a prelude to the climax of European anti-Semitism, the Holocaust, which ended in the death of millions. The lessons are clear. Vigilance against hatred and prejudice and action within the law against those who propagate hatred are still necessary if worse evils are to be avoided. Mr Deputy Speaker, I seek leave to table a copy of Mr Justice Kirby’s address to the Jewish Museum in Melbourne on 26 March entitled ‘The Dreyfus case a century on—10 lessons for Australia’.

Leave granted.
Investment in Pharmaceutical Research

Mr Johnson (Ryan) (12.27 pm)—It has often been said in this country that we should be the food bowl, or the supermarket, of Asia. I strongly commend that sentiment but I also want to put forward today the proposition that we should also try to become the chemist, or the pharmacy, of the Asia-Pacific region. Medical research and development is a fundamental aspect of our national economic life and I want to see it grow and evolve into something Australia can take advantage of economically. Two-thirds of the world’s population live some eight- to 10-hours plane ride from Australia. In ASEAN countries alone, there are some 550 million people, and we all know that China and India have populations in excess of one billion people. Twenty million people inhabit our wonderful country of Australia. We produce some two per cent of the world’s basic research. Our challenge and our current difficulty is that we need to translate this into meaningful research. We must try and expand this basic research into what might be termed ‘translated research’.

More than half the world’s population lives geographically near us, and we must try to take advantage of that. We do not want to become net consumers of drugs and pharmaceutical products. If we are not careful, China and India, in particular, will end up being pioneers and becoming the economic beneficiaries of their drug and pharmaceutical industries. We have an enormous challenge on our hands and now is the time to act so that this country can lead the way in drug and pharmaceutical research. Make no mistake about it: this country will pay the price immensely if we allow countries like China and India to expand their drug investments so that we have a marketplace scenario where Australians are buying drugs produced and developed by them.

What do we need to do? We need to invest in a world-class facility. We need to invest in world-class infrastructure that will allow product development and clinical trials in this country. Phase 2 clinical trials need to be conducted in Australia. The best way forward for that is to have infrastructure in place. We need to have a significant hub in this country where the best minds and the best talents of this country can come together to put their skills and their experiences into developing medicines that will go to the shelves of chemists and pharmacies around the country and that will make a difference to the health and the lives of our fellow Australians.

This will be an investment in our nation’s health. This will be an investment in our country’s future. Also, as I said, this will be an economic benefit to our country. I want to stress again that this country will pay a very significant price if we allow China and India to take the lead in the research on drugs that can benefit our people. I want to refer to the Fred Hutchinson research institute in Seattle as well as to global institutions such as MIT and Harvard. They are fine examples for Australia to try and emulate. They are one-stop medical research centres, and their global reputations have no peer.

One of the key benefits, of course, for our country is that the royalties that will come to Australia will be enormous. At the moment, products that are developed in this country have to go offshore. There is no better example of that than the research that was done by one of my constituents, Ian Frazer, of St Lucia in the Ryan electorate. He is of course this year’s Australian of the Year. I had the pleasure of meeting with him some little time ago in my office. Indeed he is still in the parliament today as he hears this address by his local member. He is an Australian of immense talent, and we should look up to him as an example of what Austra-
ians can do to achieve groundbreaking and world-class research. The cervical cancer research that he was able to do is going to benefit this country’s people. It could, moreover, also benefit this country’s economy.

Where is the source for these funds? Of course, when you ask the government for money they are always reluctant to spend taxpayers’ money where there is an element of risk. Clearly research into drugs does involve risk. I want to put on record in the parliament today that I think the super funds of Australia—the major super funds that have billions of dollars under investment—should come to the party immediately. They should invest in research that will benefit the people of Australia and our national economy. I will continue to speak on this in the parliament in the days and weeks ahead. (Time expired)

Australian Broadcasting Corporation

Ms KATE ELLIS (Adelaide) (12.32 pm)—I rise today to express my absolute outrage at the government’s attitude to and actions towards what is a significant and valuable Australian institution, an institution that for me personally was an incredible influence whilst I was growing up. I am referring to our national broadcasting corporation, which since 1996 has faced an onslaught from the government, which is determined to mould the ABC to its own liking and to silence its independence. The ABC is and has been an institution important to the life of this country. It has played a significant cultural role and has been reflective of the development of Australia’s cultural identity. Millions of Australians across the country rely on the ABC to keep them informed and to keep them entertained. The diversity and independence of programs available on the ABC is incredibly valuable, offering valuable children’s learning programs, great Australian drama and comedy, current affairs, world news and independent journalism. All of this is in jeopardy simply because of the government’s continued attacks.

Over 10 long years the ABC has been gradually starved of its funding. Last October the ABC revealed to Senate estimates that in real terms it has $51 million less per year to make programs than when John Howard came into office. These funding cuts have had a serious impact on the ABC’s ability to fulfil its charter obligations. In 2003 budget shortfalls forced the ABC to close two digital TV channels, Fly TV and Kids TV. It also abandoned the long-running educational TV program Behind the News, a program watched in schools across the country. Last year the ABC broadcast only 13 hours of locally produced drama, compared with more than 100 hours in 2000.

Instead of supporting an independent institution which is valued by Australians, we have seen the government publicly floating the idea of introducing advertisements on the ABC. I completely oppose the introduction of ads on the ABC, and so does the Labor Party. Labor understands the impact advertising will have on the independence, innovation and integrity of the ABC. If advertising were to be introduced, broadcasting policy and content would undoubtedly be influenced by the demands of advertisers. All Australians hope and expect that the ABC will be innovative, educational, informative, entertaining and daring. This is what we want from our ABC. But the ABC cannot and will not fulfil these expectations if it is to instead become hostage to advertising pressures and the need to compete in ratings wars with the commercial networks which it is competing with for the advertising dollar.

Following this suggestion, the minister for communications promised to review the ABC’s efficiency and whether it was receiving adequate funding. The minister appointed KPMG to...
do this. Even though this report has been received, it has not been released. Despite efforts by the minister to withhold the report’s contents, sources have revealed that the report has found that the ABC is seriously underfunded. The Australian today revealed that the draft summary of the report warns of cuts to services if the ABC does not receive an extra $125 million, above inflation, over the next three years. The report says:

Even with indexation we do not believe the ABC could sustain its present range, quality and mix of outputs at its present level of funding ...

Recommendations by this report suggest that a seven per cent increase in total funding is necessary. I call on the minister to today release the report. As budget week fast approaches, I ask the government to seriously consider any decision to refuse further funding to the ABC.

We have also heard that the minister wants to cut the staff-appointed board position. This would have dire consequences for the ABC and for our much valued institution. The staff elected director makes a valuable and important contribution to the ABC’s corporate governance as the only director independent of the government. The Australian public wants to continue to be well served by an independent public broadcaster, funded and free from commercial and political pressures.

Labor believes that the ABC and SBS are two of Australia’s most important community institutions. Labor is committed to ensuring adequate funding and support for Australia’s public broadcasters to enable them to continue to provide Australians with high-quality broadcasting services free from political interference. The ABC is important—it is important to Australians and it is important to Australia. I stand here today to implore the government to end its attacks and to give the ABC the support it needs. (Time expired)

Cook Electorate

Surf-lifesaving

Mr BAIRD (Cook) (12.38 pm)—On Saturday, 11 March 2006 I represented my colleague the Hon. Andrew Robb, the Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs, to officially launch the Living in Harmony partnership between the surf-lifesaving movement and the Australian government. The launch took place at Cronulla Beach, the scene of last year’s riots, set against the backdrop of the very successful New South Wales Surf Life Saving Championships.

As members would be aware, my electorate of Cook was the scene of the now infamous Cronulla riots in December 2005. It is very hard to imagine, sitting here in Canberra, what the feeling was like on the streets of southern Sydney on 11 December and in the days following. The streets of my suburb, Cronulla, which had been awash with such anger and protest on the Sunday afternoon, were suddenly deserted. Stories flooded the airwaves about violent retaliations, and the noise of police sirens pierced the air on the Sunday, Monday and Tuesday nights.

With the streets of Cronulla deserted, the shops were largely empty and the restaurants were closed—and some businesses are no longer in business as a result of the impact of the race riots. Wild rumours whipped through the community about retaliations, bashings, shootings and even concealed deaths. There was a feeling of fear amongst local residents. The Cronulla riots and the subsequent retaliatory attacks in the lead-up to Christmas last year were a wake-up call to us all. These tragic and violent events showed us all that respect and harmony
is not something that can just be relied on. It is beholden on all of us, as citizens, residents and community members—as Australians—to work towards a peaceable society, a society that we all feel is ours in common.

It was against this backdrop that on the Tuesday following the riots I telephoned Ahmad Kamaledine, president of the Lebanese Moslems Association. We had never met before, but in light of the conflict between our respective communities we decided we needed to provide leadership to show each community that we stood as one against continued violence and unrest. Ahmad, Stephen Stanton, representing Christian Lebanese, and I all worked hard to bring together the leaders, and we met for the first time on the Thursday following the riots.

I would like at this point to briefly thank some of the more than 30 community leaders who came together on that Thursday: the presidents of each of the four surf clubs—Brian Ferguson, Steve Frawley, Greg Holland and Ron Smith, known as Smithy; my good friend Barry Pierce, president of the Cronulla Sharks; Jason Stevens, formerly a Sharks player and a local legend; TV identity Daniel MacPherson; the police commander, Robert Redfern; Malcolm Kerr, the state member for Cronulla; and the member for Hughes, Danna Vale. I would also like to single out the Mayor of Sutherland Shire Council, Kevin Schreiber, who showed outstanding leadership to the shire during this time.

From the Australian Lebanese community, I would like to particularly acknowledge Ahmad Kamaledine and Stephen Stanton, who I have already mentioned. I would also like to acknowledge Nada Roude and her brother Ali Roude of the Islamic Council of New South Wales, Andre Kortbawi of the Australian Lebanese Christian Federation, and Samir Dandan and Rabih El Ayoubi of the Lebanese Moslems Association.

The Living in Harmony project that I launched provides funding to bring young Australians from diverse backgrounds together through the surf-lifesaving movement. This project sprang directly from the meeting of community leaders I have just mentioned. Initially the brainchild of Nada Roude of the Islamic Council, the idea of bringing together young shire people and young Australian Lebanese youths to foster mutual understanding was enthusiastically embraced by all the community leaders. That afternoon, in consultation with the leaders, I submitted a funding proposal to the Prime Minister and Minister Cobb. It is a great testament to the community leaders, the minister, the Prime Minister and the Australian government that this proposal was not only considered but was approved and funded by Friday afternoon. This program announcement with all community leaders present sent a strong and compelling message to our communities that the leaders stood united against violence, that we stood as one in our calls for the violence to end so the underlying issues could be resolved.

The project as initially announced only focused on the shire. Surf Life Saving Australia has been so keen to take up our pilot idea that the project is now worth some $860,000 and will be replicated across Australia. The Sutherland shire component of the proposal is funded to the order of some $260,000. This money will fund club membership for the participants, some limited course materials and, importantly, a full-time coordination officer. The officer will be responsible for making sure that the participants are properly guided and absorbed into the surf clubs and are supported through their bronze medallion course.

This is a program which we fully support and which the community supports. I think it provides a way forward for how we can work together and train together in terms of the surf
IllegaFishing

Mr Price (Chifley) (12.43 pm)—As you know, yesterday I spoke about the issue of maritime security on our northern borders. In 2005, through the Senate estimates process, it was revealed that there were 13,000 sightings of illegal fishing boats, an increase of some 35 per cent on the previous year. On a conservative estimate, it means that for 2005 there were some 78,000 illegal Indonesian fishermen fishing in our northern waters. They fish for trochus off the reefs, beche-de-mer, fish and shark.

The shark boats use long-lines, as do the fishing boats for fish. Those long-lines are some three to four kilometres long. What they are using for bait for shark—and for fish, but especially for shark—are dolphins. So, if you have even only half the number of boats that I have mentioned and each has at least two lines three to four kilometres long and they are fishing for fish or sharks, you can imagine how many dolphins they are taking out of Australian waters. People tend to focus on the dramatic impact that fishing for sharkfin is having in our waters, but not too many people are talking about the dramatic impact on our dolphin population in the north. Something needs to be done.

Mr Deputy Speaker Causley, I know that as a National Party member you are most concerned about any impact of foot-and-mouth or rabies on our agricultural industries. I certainly share that concern. What the people of Australia who do not live in the north need to understand is that in the Northern Territory we have very large populations of feral pigs and dingoes. If we are going to get foot-and-mouth in this country, it may come through the boats that land on our coast—by the way, they have to land on our coast because they do not have provisions on board to sustain them. They carry parrots, monkeys and poultry. If they bring foot-and-mouth in and it gets embedded in the Northern Territory in our feral pig population, it will be here to stay. We will be putting at risk a meat export industry worth some $6 billion. Again, for rabies: if we get rabies—because they bring dogs as well—then it will get embedded in the Northern Territory dingo population and Australia will suffer the curse of rabies. We do not have either foot-and-mouth or rabies. The absence of foot-and-mouth allows us to export to countries and compete very effectively with those countries that have it. If we are to get avian flu in this country, I would predict that it is not going to come through migratory birds visiting our shores. It is going to come via the poultry that are on these 13,000 illegal fishing boats. That was acknowledged through the Senate estimates process.

I would hate to be an AQIS officer in the north of Australia. We have plans in progress and risk management, but we are pushing the envelope here. I do not think we can adequately maintain a campaign against these diseases entering Australia if we are not apprehending these fishermen and stopping the trade. Not enough is being done about it. Regrettably, our fellow Australians in Northern Australia think we do not care. They think that in this parliament we do not care; they think the people of Adelaide, Western Sydney and Melbourne do not care. I believe they do care. I believe we have an obligation to get the message out about how serious these illegal fishing boats are. This country went berko about some illegal migrants coming. There were many fewer; not 78,000 illegal immigrants to this country—(Time expired)
Mr CIOBO (Moncrieff) (12.48 pm)—I rise today to highlight some good news for the people of Moncrieff and the people of the Gold Coast, but particularly for the people who are in the Gaven electorate. The good news is the backflip that the Labor state Premier, Peter Beattie, performed recently. In fact, it was announced yesterday. The introduction of copayments and means testing for public hospitals in Queensland has been Queensland Labor government policy, and Peter Beattie and his supporter in Mudgeeraba Diane Reilly have both indicated their support. It has been a concern of mine and of the Liberal Party, and in particular of the Liberal candidate in Mudgeeraba, Ros Bates, that the Beattie Labor state government would look at trying to do what it could to extract additional money out of patients who need critical care in public hospitals, to make up for the fact that the Beattie state government has blundered so badly when it comes to the Queensland public health system. So I welcome the decision that was taken—the backflip that the Beattie Labor government made yesterday—to announce that it would not introduce further copayments or means testing for public patients. I welcome that because it is in the best interests of those who need to use the public health system, particularly in the state seat of Gaven but, more broadly, in the state seat of Mudgeeraba as well as broadly across the Gold Coast.

I would also like to highlight some additional backflips that I would welcome the Beattie government making. Most importantly for the people of Mudgeeraba and Gaven, a welcome backflip that Premier Beattie could make would be to finally fund and build the Nielsens Road interchange. Recently I had the opportunity to speak on my beloved ABC about the fact that the Nielsens Road interchange was not being built by the Queensland state Labor government. Despite this fact, the Queensland Minister for Transport and Main Roads, Paul Lucas, denied that the Queensland state government had responsibility for a state road and said that, because the Nielsens Road interchange was in the vicinity of the M1, that in some way meant the federal government should pay, at the very least, half of the cost of this work on state controlled and state owned roads.

The great problem with this is that the Howard government has already pumped hundreds of millions of dollars into the M1 and hundreds of millions of dollars into the Gold Coast City Council and Queensland state government coffers to do exactly this—to construct the Nielsens Road interchange. I am very disappointed that the Queensland Labor government seems to be completely unprovoked by the state Labor member for Mudgeeraba and the former state Labor member for Gaven being advocates for the constituents in their electorates and highlighting the crucial importance of the completion of the Nielsens Road interchange.

It is simply not good enough that the state government washes its hands of the need to complete this vital piece of infrastructure. It is simply not good enough that the state government runs once again to Canberra and says, ‘We need you to fund this in order to solve this problem.’ I will continue to speak and be an advocate for the people of that region, the people of Moncrieff, who rely on this major arterial road to service the suburbs in Mudgeeraba and Gaven.

The fact remains that the hundreds of millions of dollars that the state government has received from the Howard government are in the coffers of the state government and are able to be utilised by the state government to build the Nielsens Road interchange. I welcome recent moves by the state Liberal candidate for Mudgeeraba, Rosalind Bates, who has highlighted...
the appalling state of congestion on Nielsens Road and Alexander Drive. I welcome the fact that you can readily find Rosalind Bates standing on the side of the road handing out petitions to passing vehicles, many of which are barely moving, as they queue up in the long line of cars slowly making their way into the Gold Coast City for work.

It is very important that we continue to apply the pressure that is required and necessary to prod this state Labor government into action. The fact remains that, without this prodding by the state Liberal candidate and by me at a federal government level, the Brisbane based, Brisbane focused and Brisbane biased Beattie Labor government would simply refuse to do what the people of the Gold Coast need and would refuse to acknowledge that the Gold Coast has unique demands, by virtue of the fact that it is the fastest growing region in Australia and that the people of the Gold Coast continue to experience significant upsurges in population. I urge them to do more and I call on them to complete this road. (Time expired)

**Child-Care Centres**

Mr DANBY (Melbourne Ports) (12.53 pm)—Yesterday I made some remarks about the issue of child care, particularly private child care, and the necessity for private child-care operators to abide by state government regulations, just as age care operators need to. Commonwealth rebates are paid to child-care operators on the same basis that operators in age care receive money from the Commonwealth: that they will abide by the laws for the protection of children and will run their centres in a proper way.

According to an article in the Melbourne *Herald Sun* by Russell Robinson, who conducted a long and commendable investigation, Mr Eddie Groves of the ABC Learning Centres has taken extraordinary steps to prevent scrutiny in the Victorian Supreme Court of his centres, particularly one at Hoppers Crossing where a child walked out into the street. These kinds of events are routine and normal incidents that sometimes unfortunately happen at child-care centres. Of course, one expects organisations like the Department of Human Services in Victoria to investigate these incidents because, for the sake of the safety of young children in their care, we do not want them to happen again.

The federal government cannot be all around Australia observing and monitoring what is happening at individual child-care centres. We have agencies in the various states who are there to see that these kinds of incidents do not happen and that, if they do, measures are taken to stop their recurrence. DHS do a routine report on an incident such as a child being left in a centre overnight. As well as this particular case in Hoppers Crossing, there are two other cases involving ABC Learning in Bendigo and in Jolimont in East Melbourne. ABC Learning incurred a $200 fine in the Sunshine Magistrates Court when the company was found criminally liable when a two-year-old boy wandered off from its Hoppers Crossing centre.

The normal course of events is that you allow the Department of Human Services to come and do their routine investigation, they see that procedures are put in place so that it will not happen again and the centre continues to operate. By taking these three cases to the Victorian Supreme Court, ABC Learning seems to be defying the assumption of Commonwealth government funding that centres will abide by the law. Furthermore, the implication in the case in the Victorian Supreme Court is, as I understand it, that Mr Groves denies his responsibility, as the corporate head of this organisation, for these incidents and wants to see the onus placed on the management of the individual centre.
This is not good enough. Neither side of parliament has any objection to private child-care centres receiving rebates from the federal government, but we expect them to abide by the law. It is outrageous for Mr Groves to be using his financial power in the Victorian Supreme Court, where I understand he spent $400,000 contesting a $200 fine, to set a precedent so he will not be affected by the interference, so-called, of the Department of Human Services in his child-care centres. This is not good enough. He has made the judgment that, to avoid the bureaucracy and the investigations of the Department of Human Services, which are routine regulatory investigations into incidents which can happen at private or community based centres, it is worth while for him to incur this huge legal expense and the odium of all this public comment in the *Herald Sun* and the *Sydney Morning Herald* and this parliament. It is not good enough.

This is a disgraceful evasion of responsibility by a company which is making large profits from the Commonwealth government rebates by running centres which parents have little choice about using in many suburbs. My electorate is typical of urban areas across Australia where working families, despite their relatively high incomes, cannot access quality child care. The cost of child care in Australia has risen tenfold since 1990, yet we have long waiting lists even in affluent areas. Many parents who want and need to work cannot do so because they cannot access child care. This government has been negligent in identifying and addressing these needs, and in my view we will have to stop, or look at the issue of, rebating money to Mr Groves and ABC Learning unless he abides by— *(Time expired)*

Health and Fitness

**Miss JACKIE KELLY** (Lindsay) (12.58 pm)—I think many members would agree with the member just finished that child care is an essential issue for the future health and welfare of Australian communities—not to mention busy mums—which is the subject I rise to speak on today, in line with the member for Moncrieff’s excellent contribution on Queensland Health and dealing with the situation once people have become unhealthy. I would like to talk about preventing that in the first instance, in terms of encouraging physical fitness in our schools.

As Minister for Sport and Tourism I introduced a program in which we invited sporting clubs to come in and initiate after-school sport for children who stayed behind between 3.30 and five. This has been expanded by the subsequent sports minister in a magnificent way. We are now funding community coordinators to go out in the communities and keep our kids healthy after school and provide them with real work-life balances which hopefully they will take into adulthood and which will enable them to stay fit and healthy throughout life.

I was recently on an ACYPL—American Council of Young Political Leaders—exchange with the Australian Political Exchange Council. We visited the Colorado General Assembly, and all of the members of that assembly were handing in their fitness cards to show how much exercise they had done during their sittings. They sit for 120 days, so everyone comes into Denver to sit for 120 days, and that is all they sit for the year. They have a fitness initiative in the House, where everyone has to put in fitness cards. I know on previous occasions, Mr Deputy Speaker, I have underestimated your fitness, much to my cost. Do not race the Deputy Speaker—he is actually fitter than he makes out!

It is a juggle for busy lives, not just in parliament but throughout the community, when you are trying to make child-care deadlines and when you are trying to meet spousal demands,
parental demands and trying to keep your fitness as well. In the long term, I think these types of efforts need to be supported by our population to really ram home how very important it is for mothers to take quality time for themselves to keep fit, because once you lose the level of fitness that you have prekids, it is very hard to regain it. That has some terrible consequences later in life in a number of different, particularly feminine, ways that are then picked up by health systems—which are under increasing stress. I urge the members of this chamber to set examples for the community in a broader sense in terms of looking after their health and wellbeing and trying to avoid any subsequent reliance on health systems later on.

Main Committee adjourned at 1.02 pm
QUESTIONS IN WRITING

World War II: Papua New Guinea Campaign
(Question Nos 1385 and 1386)

Mr Murphy asked the Prime Minister and the Minister for Veterans’ Affairs, in writing, on 12 May 2005.

(1) Can the Minister explain the level of importance of the Australian victory in the first Papua New Guinea campaign of 1942-43 which saved Australia from the Japanese armed forces.

(2) Did that campaign end with the battle for the beaches of Gona, Buna and Sanananda and what were the details and significance of the number of Australian casualties during that campaign.

(3) Has any Australian Prime Minister or Minister for Veterans’ Affairs ever officially visited the places of these battles.

(4) Are the battles for the beaches of Gona, Buna and Sanananda recorded on the Australian War Memorial in London; if not, why not.

(5) What recognition has the Australian Government given to the men and women who lost their lives in these battles.

Mr Billson—On behalf on the Prime Minister, the answer to the honourable member’s question is as follows:

(1) The battles fought in Papua New Guinea against Japanese forces in 1942 were of great significance to Australia. In the early months of the year, Port Moresby was defended by the Army and a RAAF fighter squadron. In July, the Japanese forces landed on the north Papuan coast and advanced against determined Australian opposition across the Owen Stanley Range along the Kokoda Track. The battle of the Kokoda Track, which lasted from July to early November 1942, saw the enemy thrust back, with great loss, to defensive positions on the north Papuan coast beyond the Kumusi River. The Oxford Companion to Australian Military History calls the battle over the Kokoda Track ‘an important battle because it defeated an enemy offensive which, had it been successful, would have altered the strategic situation in the SW Pacific’. But the campaign was not over. Battles were fought at Buna, Gona and Sanananda where the Japanese force had retreated to their original beachheads and occupied strongholds. The battles are known as the Battle of the Beachheads. Intensive fighting lasted from late November 1942 until the middle of January 1943. Australian and American troops fought with bravery and determination, incurring extremely heavy casualties. They completed the job, begun on the Kokoda Track and at Milne Bay, of driving the Japanese out of the Territory of Papua, as this area of Papua New Guinea was then known.

(2) Yes. During the initial fighting withdrawal towards Port Moresby and the eventual offensive, Australian forces lost about 625 killed and 1 055 wounded, figures roughly similar to the Syrian campaign of 1941. The efforts to drive the Japanese from the north coast between late November 1942 and the end of January 1943 were even more costly, costing approximately 1 300 Australian lives and nearly as many American lives. The direct threat to Port Moresby had now passed; however, fighting continued in Papua New Guinea until the surrender in 1945.

(3) The Prime Minister attended the dedication of the Isurava Memorial on the Kokoda Track in August 2002. In November 2002, the then Minister for Veterans’ Affairs, the Hon Danna Vale MP, attended the dedication of the redeveloped Popondetta Memorial which commemorates the Battle of the Beachheads, and the dedication of the Milne Bay Memorial. There have been visits in earlier years by Prime Ministers and Ministers for Veterans’ Affairs.
(4) No. Forty seven battle names, broadly representative of all Australian battles in World War I and World War II, are inscribed on the Australian War Memorial, London. The final selection was the result of consultation with military historians, from the Department of Veterans’ Affairs, the Australian War Memorial and the three Services. The battles in Papua New Guinea are represented by Bismarck Sea, Bougainville, Coral Sea, Kokoda, Markham–Ramu, Milne Bay, Rabaul and Wewak.

(5) Each Australian serviceman and woman who died is individually commemorated in Commonwealth War Graves Commission War Cemeteries in Papua New Guinea. The three war cemeteries in PNG at Bomana (Port Moresby), Lae and Rabaul are maintained by the Australian Government through the Office of Australian War Graves. Each grave is marked with an individual headstone, and the names of the missing servicemen are listed in the Memorials to the Missing located within the war cemeteries. They are also officially commemorated at the Australian War Memorial.

Consultancy Services
(Question No. 3135)

Mr Bowen asked the Minister for Foreign Affairs, in writing, on 1 March 2006:
Did AusAID engage GRM International at a cost of $65,083.40 to provide consultancy services on policy implementation: if so,
(a) What services were provided under the terms of the contract and
(b) Why was it considered necessary to engage an outside consultant.

Mr Downer—The answer to the honourable member’s question is as follows:
(a) A senior adviser was contracted through GRM International to assist the Solomon Islands government with policy implementation processes. The cost of $65,083.40 covers the final component of this adviser’s inputs.
(b) An outside consultant was engaged because of their extensive senior level experience in supporting policy processes and co-ordination.